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Section B - SCHEDULE OF SUPPLIES AND PRICES/COSTS

OUTBOUND RATES FROM CONUS TO ASCENSION ISLAND FOR 3 YEAR FIRM CONTRACT PERIOD

CLIN	ITEM DESCRIPTION	UNIT	RATE
0001A	PORT CANAVERAL, FL (ZONE-1)		
0001AA	20FT (DRY/OPEN TOP)	P/CNTR	\$7250
0001AB	20FT REFRIGERATED	P/CNTR	\$10,025
0001AC	BREAKBULK	M/T	\$353
0001AD	VEHICLES	M/T	\$666

Zone 1 shall include points within Cape Canaveral AS, FL (CCAS)

CLIN	ITEM DESCRIPTION	UNIT	RATE
0002A	PORT CANAVERAL, FL (ZONE-2)		
0002AA	20FT (DRY/OPEN TOP)	P/CNTR	\$7343
0002AB	20FT REFRIGERATED	P/CNTR	\$10,120
0002AC	BREAKBULK	M/T	\$356
0002AD	VEHICLES	M/T	\$669

Zone 2 shall include points within Patrick AFB, FL (PAFB), AND Melbourne, FL

Section B - SCHEDULE OF SUPPLIES AND PRICES/COSTS

CLIN	ITEM DESCRIPTION	UNIT	RATE
0003A	PORT CANAVERAL, FL (ZONE-3)		
0003AA	20FT (DRY/OPEN TOP)	P/CNTR	\$7446
0003AB	20FT REFRIGERATED	P/CNTR	\$10,223
0003AC	BREKKBULK	M/T	\$359
0003AD	VEHICLES	M/T	\$672

Zone 3 shall include distribution locations in Vero Beach and Orlando, FL

CLIN	ITEM DESCRIPTION	UNIT	RATE
0004A	CARRIER'S TERMINAL PORT CANAVERAL TO ASCENSION ISLAND		
0004AA	20FT (DRY/OPEN TOP)	P/CNTR	\$7250
0004AB	20FT REFRIGERATED	P/CNTR	\$10,025
0004AC	BREKKBULK	M/T	\$353
0004AD	VEHICLES	M/T	\$666

Section B - SCHEDULE OF SUPPLIES AND PRICES/COSTS

INBOUND RATES FROM ASCENSION ISLAND TO CONUS FOR 3 YEAR FIRM CONTRACT PERIOD

CLIN	ITEM DESCRIPTION	UNIT	RATE
0005A	ASCENSION ISLAND TO PORT CANAVERAL		
0005AA	20FT (DRY/OPEN TOP)	P/CNTR	\$7250
0005AB	BREKBUK	M/T	\$353
0005AC	VEHICLES	M/T	\$666
0005AD	HAZARDOUS WASTE MATERIAL	P/CNTR	\$8500

CLIN	ITEM DESCRIPTION	UNIT	RATE
0006A	ASCENSION ISLAND TO CARRIER'S TERMINAL PORT CANAVERAL		
0006AA	20FT (DRY/OPEN TOP)	P/CNTR	\$7250
0006AB	BREKBUK	M/T	\$353
0006AC	VEHICLES	M/T	\$666
0006AF	HAZARDOUS WASTE MATERIAL	P/CNTR	\$8500

CLIN	ITEM DESCRIPTION	UNIT	RATE
0007	ASSESSORIAL CHARGES		
0007A	CONTROLLED ATMOSPHERE LUMP SUM SURCHARGE 20 FT CONTAINER	P/CNTR	\$900
0007B	20FT FLATRACK LUMP SUM SURCHARGE	P/CNTR	\$83
0007C	STUFFING	P/CNTR	\$340
0007D	STRIPPING,SORTING,AND/OR CONSOLIDATION	P/CNTR	\$340
0007D	TRANSLOADING	P/CNTR	\$182

Section B - SCHEDULE OF SUPPLIES AND PRICES/COSTS

Zone 1 shall include points within Cape Canaveral AS, FL (CCAS)

Mileage rates in CONUS for the three year firm contract period.

20 FOOT CONTAINERS

000010	Less than 25 miles	\$ 0.00
000011	26 to 35 miles	\$ <u>5.94</u>
000012	36 to 45 miles	\$ <u>4.81</u>
000013	46 to 55 miles	\$ <u>4.47</u>
000014	56 to 75 miles	\$ <u>4.10</u>
000015	76 to 125 miles	\$ <u>3.33</u>
000016	126 to 175 miles	\$ <u>2.68</u>
000017	176 to 200 miles	\$ <u>2.03</u>
000018	201 to 250 miles	\$ <u>1.85</u>
000019	251 to 300 miles	\$ <u>1.73</u>
000020	301 to 350 miles	\$ <u>1.59</u>
000021	351 to 400 miles	\$ <u>1.50</u>
000022	401 to 450 miles	\$ <u>1.43</u>
000023	451 to 500 miles	\$ <u>1.40</u>
000024	501 to 600 miles	\$ <u>1.39</u>
000025	601 to 750 miles	\$ <u>1.38</u>
000026	751 to 900 miles	\$ <u>1.37</u>
000027	901 to 1050 miles	\$ <u>1.19</u>
000028	1051 to 1200 miles	\$ <u>1.14</u>
000029	1201 to 1350 miles	\$ <u>1.11</u>
000030	1351 to 1500 miles	\$ <u>1.08</u>
000031	1501 to 1750 miles	\$ <u>1.03</u>
000032	1751 to 2000 miles	\$ <u>0.89</u>
000033	2001 to 2250 miles	\$ <u>0.81</u>
000034	2251 to 2500 miles	\$ <u>0.76</u>
000035	2501 to 2750 miles	\$ <u>0.72</u>
000036	2751 to 3000 miles	\$ <u>0.68</u>
000037	3001 to 3250 miles	\$ <u>0.65</u>
000038	3251 to 3500 miles	\$ <u>0.63</u>

CLIN's 000010 through 000038 provide rates by mileage band category (computed by using the mileage calculated in the Household Movers Guide, 3 digit Zip Code Guide) for linehaul/drayage between point and port locations. These rates are stated as a rate per one way miles and are only to be used in those instances where the Government orders pickup/delivery of cargo from/to a port or point for which a rate is not specified in Schedule B. Use of the mileage rates for any linehaul point not specifically designated is conditioned on its application for no longer than 60 calendar days after initial delivery date for drayage/linehaul to/from any location not specifically identified in Schedule B. However, should the requirement from the inland location continue beyond 60 calendar days, an ongoing rate shall be negotiated for such point and port location pursuant to the Changes Clause provided herein.

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT**C-1 GENERAL****C-1.1 Transportation Services**

The Contractor, a vessel operating ocean Carrier, shall provide liner transportation of lawful cargo by U.S. flag ships between points in the Continental United States of America (CONUS) as specified in Section B and Detachment 2-45th OG at Ascension Island, South Atlantic. The Carrier shall maintain regularly scheduled liner term service on this route throughout the period of the Contract via a self-sustaining geared vessel(s). The Carrier shall provide both breakbulk and intermodal container service, including terminal handling, all stevedoring, loading and discharging in CONUS. The minimum acceptable frequency of service shall be a vessel call at Ascension Island at intervals not to exceed **sixty (60) days** between deliveries. Actual cargo transit time will not exceed fifteen (15) days from the CONUS port of loading to Ascension Island. Transit time from Ascension Island to the CONUS port of discharge shall be in sufficient time to permit normal discharge of retrograde cargo and subsequent vessel loading to maintain the required fixed day sailing from CONUS for the established service frequency interval. For inbound cargo, inland cargo delivery transit after port clearance (commencement of delivery) shall not exceed one day. The Carrier will carry any and all cargoes offered by the Government up to the capacity of the vessels offered for use in this trade, with the exception of those limitations of the Carrier's obligations specified in Section H-6. The minimum space available to the Government for each outbound (CONUS to Ascension Island) or inbound (Ascension Island to CONUS) sailing shall be no less than eighty-five (85) 20' containers, of which a minimum of fourteen (14) spaces must be capable of accepting 20' refrigerated containers; and 2000 square feet of protected breakbulk/vehicle stowage. The Carrier shall establish and maintain a fixed day service. In the case of the minimum requirement of 60 days between delivery, the vessel shall depart the last CONUS port no earlier than 1800 hours on the first Wednesday of August 1998 with arrival at Ascension Island no later than 15 days thereafter. Subsequently, CONUS departures shall occur at two month intervals (after 20 August 1998) on the first Wednesday of the month with departure from the last CONUS port no earlier than 1800 hours local time. In the event of the acceptance of a more frequent service, such service shall be established on a fixed day CONUS departure schedule (e.g., Wed. at six week intervals) with the approval of the Contracting Officer. Such fixed day schedule shall be maintained for the firm period of the contract unless a change is approved by the Contracting Officer.

C-1.2 Regulatory Compliance. The Carrier shall file all rates and terms of this Contract with the Federal Maritime Commission (FMC), the Surface Transportation Board (STB), and/or with other governmental agencies as may have jurisdiction over the services provided by the Contractor as set forth in this Contract. The Carrier agrees to comply with such regulations of the FMC, STB, and/or other governmental agencies as may be applicable for service to the Government in the carriage of military cargo as set forth in this Contract.

C-1.3 Cargo. Types of cargo to be carried are military cargo, mail, and any other cargo shipped by the Department of Defense (DoD) in the Defense Transportation System (DTS). All cargo shall be stowed to prevent damage due to exposure to the elements. Above deck fixed structures which prevent damage due to exposure of elements may be provided.

C-1.4 Carriage. Cargo will be loaded and discharged by the carrier at terminal(s) at the carrier's CONUS port of call. The Carrier shall furnish all containers unless Government owned containers are to be transported. Consistent with vessel safety, when on deck stowage is necessary, containers with mail and personal property will, to the maximum extent possible, be loaded on the bottom tier.

C-1.5 DESCRIPTION OF ASCENSION ISLAND

C-1.5.1 Physical Characteristics Ascension Island is a British owned, controlled facility. Water depths at pier side is normally 12 feet. Harbor seas between 10 to 14 feet are not unusual

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

C-1.5.2 Port operations Port operations are provided by the Air Force contractors. Tugs are not available to position vessel. Cargo is discharged, transshipped and loaded from the vessel off-shore by ship's crew using vessel gear, to/from Air Force owned mule barges. Barge discharge and loading operations are conducted during daylight hours between sunrise and sunset. Discharge and loading operations will normally be conducted, as required, on recognized U.S. and Ascension Island holidays. No bunkers are available at the port.

(1) Equipment - On shore mobile crane (90 ton rated) will off load Air Force barge to pier on an average of 40 lifts per day.

C-1.6 SEALIFT READINESS PROGRAM.

The Voluntary Intermodal Sealift Agreement (VISA) has been approved by the Secretary of Defense (SECDEF) as the primary DoD sealift readiness program. VISA Participants receive competitive preference for award of DoD cargo and booking priority applicable to peacetime, exercise and contingency cargo based on their VISA capacity commitments. The DoD Sealift Readiness Program (SRP) is the alternative program to VISA. Both programs are intended to provide a formal agreement between U.S. flag vessel operators and the Department of Defense (DoD) for the acquisition of sealift and related services under less than full mobilization. The VISA program is still under development for full implementation. However, the VISA has been designated as the preferred sealift readiness program for this contract. DoD policy effective 15 January 1998 states the requirement for U.S. flag commercial entities to commit to support DoD contingency/wartime requirements through participation in DoD readiness programs as a condition for receiving DoD business. To implement this policy, U.S. flag vessel operators, as a condition to receive competitive preference for award of DoD cargo and booking priority applicable to peacetime, exercise and contingency cargo, are obligated to participate in the VISA and to commit to Stage III of the VISA for the period of contract performance. If a Participant subsequent to award voluntarily withdraws from VISA, the offeror commits 50% of its U.S. flag fleet (in vessels) and related equipment to the alternate DoD SRP for the full performance period or any part thereof not covered by the VISA commitment. Offerors are required to complete JTMO Forms 4280/9 and 4280/9A. Commitment to an authorized sealift readiness program is an integral part of this contract and the level of that commitment remains in full force and effect for the performance period of the contract and any periods under which that mobilization commitment is utilized by the DoD.

C-2 CONTAINER SERVICE

C-2.1 Service.

C-2.1.1 Basic Service The Carrier's basic container service shall consist of furnishing to the government, a clean, dry, empty, odor free, structurally sound container on a chassis at a specific point designated by the Government (within the general locations set forth in Section B); moving the stuffed container between this point and the Carrier's CONUS commercial terminal; receiving and handling the stuffed container at its loading terminal; loading and transporting the container in the Carrier's vessel; discharging and receiving containers from the Carrier's vessel at Ascension Island; discharging and handling the container at the Carrier's CONUS receiving terminal, including all aspects of Customs clearance; delivery as ordered by the OO. CONUS outbound service shall be liner in/free out (LIFO); CONUS inbound service from Ascension Island shall be free in/liner out (FILO).

C-2.2 Spotting Empty Containers. The Ordering Officer (OO) will provide the Carrier at least two working days notice as to where to spot an empty container unless a shorter notice is agreed upon by the carrier. The notice will include the type, size (LxWxH), and capacity of container required, the name and address of the shipper, the date and a specific time for spotting the container, which will not be later than three working days prior to the vessel cut-off date unless a shorter period is agreed upon by the carrier, and will specify the categories of cargo to be stuffed in container (i.e., General Cargo, Mail/Mail Equipment, Vehicles, or Refrigerated Cargo). The Carrier shall spot the empty container within a delivery window of not later than or prior to one hour of the stated time in the notice.

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

C-2.3 Container Pickup. The Carrier shall pick-up and remove a container from the Government facility as follows:

Stuffed container(s) within 20 hours; and
Empty container(s) within 72 hours.

Pickup time provisions shall commence at 0800 hours on the day following carrier's receipt of notification that the container is in all respects ready to be transported, unless this requirement is waived by the OO. Time shall not run during Saturdays, Sundays, and locally observed holidays. For Ascension Island, the carrier shall pick up and remove from previous sailing all empty containers after discharging inbound containers. In no case should empty containers remain beyond the next sailing date.

C-2.4 Chassis Requirement. Containers delivered to the Government in CONUS shall be on chassis which shall remain with the containers (while they are in the custody of the Government) unless this requirement is waived by the OO. Chassis provided by the Carrier shall be compatible with Government contractor-furnished tractors unless this requirement is waived by the OO. In Ascension Island the Contractor must provide appropriate spreader bars and other container handling equipment to accommodate Government loading and discharging.

C-2.5 Empty Containers. When the Government requires container delivery at a place not set forth in Section B, the Carrier shall make empty containers on chassis available at its terminal. Line-haul from the commercial terminal to the place of stuffing and return of stuffed container to the Carrier's terminal shall be arranged by Carrier and linehaul charges shall be in accordance with mileage band rates set forth at the schedule at section B.

C-2.6 Inland Delivery

C-2.6.1 CONUS Basic Service. The Carrier shall contact the consignee to establish a delivery time. Unless delay is requested by the OO, the Carrier, after the discharge of the container from the vessel, will commence inland transportation within one (1) working day of discharge for containers loaded with dry cargo. Vehicles in containers will be delivered within one (1) working day after the container has been discharged from the vessel. Upon delivery, the Carrier will present the consignee with a delivery receipt designating : destination warehouse, pieces, weight, cube, description of cargo, and TCN for the container.

C-2.7 Accessorial Services.

C-2.7.1 Controlled Atmosphere Service. The Carrier's controlled atmosphere service shall consist of furnishing a self contained computerized system capable of monitoring and adjusting the atmosphere in a refrigerated container after the carrier has introduced preservative gases in the container. The system is designed to reduce spoilage and extend shelf life of perishable commodities similar to modified service, but differs by its ability to adjust the air inside the container during transit. The Carrier will be compensated for this service in accordance with the rates set forth in Section B of the contract.

C-2.7.2 Flatrack Service. - The Carrier offers a lumpsum flatrack surcharge which guarantees the Government for each vessel sailing, the number of flatracks the Government requires, provided the requirement is given to the carrier by the OO at least two weeks prior to the intended sailing of the Carrier's vessel. The Carrier will be compensated for this service in accordance with the rates set forth in Section B of the contract.

C-2.7.3 – Stuffing Service – The Carrier's stuffing service shall consist of receiving at its terminals cargo suitable for containerization, and the consolidating, segregating, tallying and stuffing the cargo into containers and sealing the containers. The integrity of cargo units delivered to the carrier for stuffing shall be maintained throughout the shipment consistent with the stowage capability of the carriers containers. The Government will pay for such services at the rate set forth in Section B, per measurement ton of cargo stuffed into a container.

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

C-2.7.4 - Stripping, Sorting and Consolidation – When ordered by the Government, the carrier's stripping, sorting and consolidation service shall consist of unstuffing, separating cargo by consignee, and grouping cargo lots by consignee at carrier's terminal for pickup by the consignee or by an inland carrier for further transportation.

C-2.7.5 – Transloading – The Government may deliver or cause to be delivered to the carrier at the carrier's East Coast terminal port of loading, cargo in Government owned or other carrier owned equipment for transloading. The carrier will assume responsibility of transloading such cargo into its own containers. The Government will pay for such services at the rates (per measurement ton) of cargo set forth in Section B- Rates.

C-2.8 Refrigerated Containers.

C-2.8.1 General. Self-sustaining refrigerated (reefer) containers not more than two years old, preferably at contract service inception but in no case no longer than 120 days after contract service inception, shall be provided by the Contractor for this service. Such containers shall be in good working order and delivered to the stuffing activity precooled to the intransit temperature specified by the Government. Such containers shall be maintained at an internal temperature within two (2) degrees Fahrenheit of the specified intransit temperature from the time of initial stuffing until unstuffed at final destination. For Chilled Cargo in refrigerated containers only, the intransit temperature specified in the booking/shipping order for service shall be maintained by the Carrier at an internal temperature within plus or minus two (2) degrees Fahrenheit of the specified temperature from the time of initial stuffing until unstuffing at final destination providing that such variance does not allow cargo freezing. Reefers will be loaded on the vessel last and offloaded first at Ascension Island. While the remainder of vessel is discharged at Ascension, reefers will be unstuffed and reloaded to the vessel prior to vessel's departure from Ascension Island.

C-2.8.2 Carrier Inspection of Contents. Upon receipt, the Carrier may open stuffed reefer containers to inspect the condition, stuffing, or the temperature of the cargo. When the Carrier is of the opinion that the cargo is unsuitable for shipment to the specified destination, the Carrier shall immediately advise the OO of such condition, and request a written decision regarding shipment of the container.

C-2.8.3 Temperature Recording. The Carrier shall furnish two operable continuous temperature recording instruments (to include at least one interior Ryan type recorder or equivalent and one exterior recorder), in each refrigerated container ordered. These instruments shall measure and record in a legible manner any variation in temperature of one degree Fahrenheit or more inside the container during the time it is stuffed with cargo. The original printed records of the temperature maintained during the transit from origin to destination shall be made available for inspection by the receiving activity when the container is delivered. Upon request of the consignee, a copy of the original records shall be provided to the receiving activity within 5 days.

C-2.8.4 Maintenance. It is the sole responsibility and cost of the Carrier to maintain its refrigerated container equipment in good working order. Reefers must arrive inspected and certified with the capability of operating at 220 and 440 electrical volts with separate wires and plugs for reefers.

C-2.9 Hazardous Waste Material - Carrier shall provide 20ft empty containers at the Ascension Island for hazardous waste material required to be shipped inbound to CONUS. The material may consist of, but is not limited to, antifreeze, soil, asbestos, corrosive liquid and solids, poly chlorinated biphenyl (PCB)'s, regulated and non-regulated flammables, and oils and lubricants. The Carrier shall provide to designated Government and/or Government contractor personnel access to its port terminal facility to implement CONUS disposal operations. The Carrier will be compensated for this service in accordance with the rates set forth in Section B of the contract.

C-3 BREAKBULK SERVICE

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

C-3.1 Basic Service The Carrier's breakbulk service shall consist of receiving cargo at a specific point designated by the Government; transporting the cargo between this point and the Carrier's commercial terminal; loading in CONUS; transporting both outbound and inbound breakbulk cargo in its vessel; ; discharging and receiving breakbulk cargo from/to the Carrier's vessel at Ascension Island; discharging the cargo at its receiving terminal in CONUS; and delivery in CONUS as ordered by the OO. Breakbulk service shall be provided in accordance with the terms and conditions for containerized service, as applicable.

C-4 DOCUMENTATION

C-4.1 Load Port. The Carrier shall provide (by mutually agreeable means) the cognizant MTMC activity and the activity responsible for cargo documentation with the following information in connection with cargo loaded at each port.

C-4.1.1 Container Receipt Information. Container receipt information shall consist of carrier name, port of loading, date container received at port, container number with ALPHA prefix, TCN, and seal and/or keyless lock number. This data shall be provided within four working hours of container receipt by the carrier.

C-4.1.2 Cargo Receipt. The Master shall sign the manifest or receipt acknowledging receipt of the cargo in apparent good order and condition or he/she shall record thereon any apparent damage to or shortage of such cargo or any other specific exception to the cargo as listed on the manifest or receipt. For containerized cargo both received by the Carrier and delivered at destination under seal, the Master's receipt acknowledges only the apparent good order of the container.

C-4.1.3 Container Lift Information. Container lift information shall consist of: name of vessel and voyage document number, container number with ALPHA prefix, TCN, port of discharge, final destination, general description of container contents (i.e., general cargo, mail/mail equipment, POV, other vehicles, refrigerated cargo), and seal and/or keyless lock number). This data shall be provided within eight working hours after vessel departure.

Note: If a seal on any container has been broken and/or replaced while in the Carrier's custody, the Carrier shall notify the OO with a complete report as to the circumstances and the reasons therefor.

C-4.1.4 Discrepancy Report. The Carrier shall provide both the cognizant MTMC activity and local activity responsible for cargo documentation a listing by container number and TCN of containers which were booked but not loaded, or loaded but not booked, and the reasons why the containers missed their designated scheduled sailing. Such notification shall not relieve the Carrier of its obligations under this Contract to fulfill the original cargo booking commitments. Such reports, shall be furnished within eight hours after vessel departure.

C-4.2 Discharge Port. The Carrier shall provide either Ascension Island Shipping and Receiving or the MTMC activity having cognizance over the port with a discharge report. This report shall be provided for each container discharged as soon as practicable after discharge, but not later than twenty-four (24) hours after discharge.

C-4.3 Prestow Plan. The Contractor shall provide the Government with two copies of a cargo prestowage plan at least 48 hours prior to the scheduled arrival of the vessel (plus 24 hours for each Sunday or locally observed holiday that occurs on the day of arrival or the two days preceding the day of arrival) at the loading port indicating the specific location, pertinent dimensions and total cubic measurement of the spaces available for loading the cargo booked at that port. Such cargo prestowage plan will be based on information contained in the cargo documentation previously supplied to the Carrier by the Government. One copy of the cargo prestowage plan shall be furnished to the Ordering Activity and one copy shall be furnished to the Water Terminal Authority having

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

cognizance over that loading port. At the same time, the Carrier shall furnish the Ordering Activity confirmation of the date and time that the vessel will be placed on loading.

C-4.4 Operational Reports. The Carrier shall provide notice within twenty-four (24) hours to both the Contracting Officer and the OO of any operational shortfall that occurs relative to the service. Examples of operational shortfalls include sailing delays, container unavailability, strikes, receiving delays, port backlogs and equipment failures such as ship cranes etc.

C-4.5 Vessel Schedule. The Carrier shall provide an updated sailing and arrival schedule to MTMC every 90 days through the life of the Contract. Any change to the projected schedule must be reported within seven (7) days of the next scheduled port call. Further, the Carrier shall notify the Government activity having cognizance over each port where Government cargo is to be discharged under this Contract of the impending arrival of the vessel. Such notice shall be given at least 48 hours prior to arrival indicating any variation from or correction to information previously furnished.

C-5 ELECTRONIC DATA INTERCHANGE (EDI)**C-5.1 EDI and Automated Carrier Interface (ACI) System.**

(a) Electronic exchange of booking and intransit status data is required by this contract. EDI is the preferred method for exchange of this data. However, an acceptable alternative is listed below in paragraph (c).

(b) Carriers electing to participate in the MTMC EDI are required to execute a Trading Partner Agreement (TPA) with MTMC. This is an umbrella document that describes the use of electronic media and electronic signatures; and establishes EDI transactions as legally enforceable in lieu of signed paper documents. Carriers who have not executed TPAs with MTMC for ocean cargo booking and Intransit Visibility (ITV) transactions will initiate a TPA with MTMC no later than 14 calendar days after contract award. The TPA will be approved upon successful completion of transmission tests for each transaction set.

(c) Carriers shall receive booking data (300) and cancellation data (303) from MTMC, and shall send booking confirmation (301) and intransit status (315) data to MTMC. Carriers shall provide the Government status reports for the following events:

<i>Code</i>	<i>Meaning</i>	<i>Notes</i>
EE	Empty spotted	Empty container outgate is acceptable in lieu of actual spot report.
W	Loaded container	Required only if carrier provides origin depart origin inland dray/line-haul
I	In-gate at POE	
VD	Vessel sails	This report is required at POE and at transshipment ports
VA	Arrival notice	Report ETA at POD 3 days prior to scheduled vessel arrival at POD
A	Vessel arrival	Report actual vessel arrival
UV	Vessel discharge	This report is required at POD and at transshipment ports
OA	Out gate from POD	
X1	Deliver to consignee	
EC	Empty container pick up	

OPTION: Carriers may choose to receive and respond to booking requests and report event status of cargo using MTMC provided internet based systems. The Government will provide instructions/training on use of this system.

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

(d) Implementation Conventions (IC). The 300, 301, 303 and 315 transaction sets are described in detail in the implementation conventions. Copies of the IC's, when approved, can be obtained from <http://www.lmi.org/dtedi>.

(e) This contract includes, by reference, the approved Implementation Conventions for the 300,301,303 and 315 transaction sets. Changes to the IC's are initiated through the Automated Carrier Interface (ACI) Committee which is composed of both government and carrier members. Carriers holding JTMO contracts that require EDI are, or will be, voting members of the ACI Committee. Changes approved by the ACI Committee are forwarded to the EDI governing committee(s) for approval and publication. This contract incorporates changes as may be approved by the ACI Committee for implementation in accordance with the schedules approved by the ACI committee.

(f) At time of contract award MTMC will be transitioning from manual and TDCC formats to ANSI X12 standards. Cargo booking sets 300, 301 and 303 will migrate to ANSI X.12 version 3060. The transition of MTMC systems from TDCC is scheduled to be complete by March 1998. ITV status transaction set 315 will migrate from ANSI X12 version 3030 to version 3060.

(1) Carriers exchanging booking transactions in the TDCC format at time of contract award will convert to ANSI X12 formats by 1 March 1998 or upon suspension of booking operations at MTMC Eastern and Western Area offices, whichever is later.

(2) Carriers not exchanging booking transactions in TDCC format at time of contract award will begin exchanging booking transactions in the ANSI X12 format for shipments originated by the CONUS booking office no later than the effective date of this contract.

(3) Exchange of EDI booking transactions for shipments originated by OCONUS booking offices will be implemented concurrent with implementation of IBS at OCONUS booking offices. Carriers will be provided at least 90 days advance notice of requirements to begin exchanging EDI booking transaction with OCONUS booking offices.

(4) Carriers will begin EDI/ITV status reporting no later than the effective date of the contract.

(g) Carrier Payment

(1) MSC has been working with interested carriers on standardized EDI Invoice and Remittance formats for sealift services. Paper invoicing will be required until MSC/JTMO and individual carriers are fully ready for the change over to electronic. Carrier participation is required once EDI procedures are effected.

(2) Automated fund transfer (AFT) is the required method of payment. Carrier not yet authorized AFT must provide bank and account information necessary to implement AFT.

(h) Carrier submission of vessel schedules.

(1) Carrier will provide copies of its vessel schedules to the cognizant MTMC booking offices at least 30 days prior to the earliest voyage sail date. Schedules should include all direct and feeder service connections included in the carrier's offer. In the event the vessel schedule is changed, the carrier shall provide a revised schedule within one day. Only those schedules submitted in compliance with the vessel schedule submission media and format requirements of this section will be used to determine whether a carrier provides a schedule meeting the delivery requirements of the cargo as required by the cargo booking policy, Section H-4.

(A) Hardcopy or fax schedules will be provided to OCONUS booking offices.

(B) Electronic submission of schedules to the CONUS booking office is required.

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT

(2) Effective 15 FEBRUARY 1998, the carrier will enter their new schedules on Integrated Booking System's, (IBS), "Commercial Carrier Vessel Schedule" web page. Carriers will also maintain schedules that are posted in the system (to include schedules that were posted to IBS by the booking office prior to the contract award date).

(3) Training materials that include instructions for obtaining passwords, accessing the internet based vessel schedule entry system, and entering data will be provided by 15 FEBRUARY 1998. Training sessions will also be provided by the IBS Project Management Office (PMO) in the Washington DC area. Training sessions will be scheduled between contract award and prior to its effective date. In the event the training materials and training sessions are not made available to carriers in a timely manner, the date for carriers to begin submitting schedules via IBS' Commercial Carrier Vessel Schedule web page will be delayed until such time as training materials and training sessions are made available. During this time carriers will provide the cargo booking offices with fax or hard copy schedules which will be maintained within IBS.

(4) The Vessel Schedule will contain the following data elements. The carrier will update and maintain data marked with a "*":

- * Vessel International Radio Call Sign (IRCS)
Vessel name (Translation from IRCS provided by IBS)
- * Commercial Voyage
- * Commercial Voyage Year
SCAC (Provided by system; translation from booking carrier) Booking Carrier Code (Provided by IBS from login)
Booking Carrier Name (Provided by IBS; translation of Booking Carrier Code)
- * Vessel Operator
MSC/Commercial Indicator (Always blank for commercial carriers)
- * Route Index
- * Port ID (MILSTAMP port code; enter or select from a pick-list provided by IBS)
- * POE/POD (Indicator to show which ports on the schedule are for load and which for discharge)
- * Scheduled Vessel Arrival Date at the port *Scheduled Vessel Departure Date at the port
- * Dry Cutoff Date; report for POEs only *Reefer Cutoff Date; report for POEs only
- * MILSTAMP vessel status code
- * Feeder/ Direct. Indicator to show whether the port is served by the vessel named in the schedule. The name (IRCS) of the feeder vessel is also required.

(5) Vessel information provided by carriers as part of their proposal will be posted to IBS by the start of the bookings under this contract. Carriers will provide the cargo booking office with updates and changes to information provided on vessels offered for service under this contract. Information required by the booking office would include:

IRCS
Ship Name
Vessel flag (Country)

SECTION C - DESCRIPTION/SPECIFICATION/WORK STATEMENT**(i) Liquidated damages.**

(1) Timeliness of initial submissions. Voyage data (sailing schedule) provided to MTMC less than 30 days before the earliest sail date on the voyage will be considered a late submission and the carrier shall be assessed a liquidated damage of \$250 per voyage. Damages will be assessed at the expiration of the contract.

(2) Timeliness and accuracy of EDI transactions. Carrier shall provide accurate, timely and complete EDI transactions for all events indicated at paragraph C-5.1(c). Carriers that do not complete transactions in compliance herewith shall be assessed a liquidated damage of \$8.00 per failed event within the required transaction set.

(j) Exceptions to EDI requirements: As circumstances warrant, the PCO may unilaterally modify the contract, in whole or part, and exempt carrier from specific EDI requirements. This modification may be for a specified time period, or for the duration of the contract.

(k) EDI addressing and testing requirements information will be provided by HQMTMC (JTMO). Point of Contact to address any questions is Mr. Joe Crandell, Tel (703) 681-6717.

C-5.2 Cargo Receipt and Lift Data for CONUS. The Carrier shall develop EDI capability to pass cargo receipt and lift data to the MTMC documentation activity and cognizant MTMC Command.

C-5.3 Establishment of EDI Capability. ACI/EDI capability for cargo offering/booking and receipt/lift data on a fully integrated level must be available on the effective date of this Contract. All questions regarding ACI/EDI implementation under Section C-5 should be directed to the OO or COR.

SECTION D - PACKAGING AND MARKING**D-1 CONTAINER IDENTIFICATION**

Containers shall be clearly marked to indicate the name of the Carrier. Leased containers utilized under this Contract shall have the name of the Carrier, affixed with stencils or stickers, in letters of not less than three (3) inches in height. As a minimum, such identification will be affixed to each end of a leased container.

SECTION E - INSPECTION AND ACCEPTANCE**E-1 CLAUSES INCORPORATED BY REFERENCE (JUN 88)(FAR 52.252-02)**

This Contract incorporates the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

CLAUSE TITLE AND DATE**REFERENCE**

INSPECTION OF SERVICE - FIXED PRICE FAR 52.246-4 (AUG 1996)

E-2 QUALITY ASSURANCE PROGRAM (QAP)

The Government will monitor the Carrier's performance under this Contract through its Quality Assurance Program (QAP), which will consist of continuing evaluation of all services including documentation provided by the Carrier. The Quality Assurance Program does not place any additional requirements on the Carrier. The ACO shall issue administration instructions for this program. A copy of the QAP Performance Requirements Summary (PRS) is incorporated in the contract. To the extent that any conflict may arise between this plan and the substantive provisions of RFP- DAMT01-98-R-9611 and the resultant contract(s), then the substantive portions of the RFP and the resultant contract(s) shall apply.

E-3 QUALITY COUNCIL

E-3.1 Council Meetings - In order to identify and resolve potential operational problems and to achieve continuous process improvement, a Quality Council shall be established. Quality Council members may include representatives of the carrier, Ocean Cargo Booking Office (OCBO), Ocean Cargo Clearance Authority (OCCA) and effected Shipper services, as well as the Administrative Contracting Officer (ACO), Ordering Officer (OO) and/or Procuring Contracting Officer (PCO). The Quality Council shall meet on a quarterly basis to identify, monitor, and recommend solutions to operational problems arising during the term of the contract. Recommendations for process improvement will be elevated to the Procuring Contracting Officer or his/her designated representative and the designated carrier representatives for consideration, approval, and negotiation of contract modifications (if applicable).

SECTION F - DELIVERIES OR PERFORMANCE**F-1 EFFECTIVE DATES**

This Contract shall be in effect for all cargo received by the Carrier or its agent for sailings on or after 0001 hours local time **20 August 1998** and shall remain in force for all cargo received by the Carrier or its agent for all sailings scheduled on or before **19 August 2001**.

F-2 LIQUIDATED DAMAGES

LIQUIDATED DAMAGES-SUPPLIES, SERVICES, OR RESEARCH AND DEVELOPMENT FAR 52.211-11 (AUG 1994)

(a) If the Contractor fails to deliver the supplies or perform the services within the time specified in this Contract, or any extension, the Contractor shall, in place of actual damages, pay to the Government as fixed, agreed, and liquidated damages, for each calendar day of delay or time specified in the Contract the sum(s) as specified elsewhere in the Contract with the exception of Contractor reporting which shall be payable at the sum of \$50.00 per day per report until submitted and for late vessel calls or excess transit in breach of C-1.1, the contractor shall pay the Government the sum of ONE THOUSAND DOLLARS (\$1,000.00) for each calendar day or part thereof of delay.

(b) Alternatively, if delivery or performance is so delayed, the Government may terminate this Contract in whole or in part under the Default - Fixed Price Supply and Service clause in this Contract and in that event, the Contractor shall be liable for fixed, agreed, and liquidated damages accruing until the time the Government may reasonably obtain delivery or performance of similar supplies or services. The liquidated damages shall be in addition to excess costs under the Termination clause.

(c) The Contractor shall not be charged with liquidated damages when the delay in delivery or performance arises out of causes beyond the control and without the fault or negligence of the Contractor as defined in the Default- Fixed Price Supply and Service clause in this Contract.

F-3 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2) (Jun 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

<u>Clause</u>	<u>Title and Date</u>
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52.242-15 Stop-Work Order (AUG 1989)	
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52.242-17 Government Delay of Work (APR 1984).	
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SECTION G - CONTRACT ADMINISTRATION**G-1 ADMINISTRATIVE CONTRACTING OFFICER**

The Administrative Contracting Officer (ACO) who shall perform Contract administration for this Contract is the Joint Traffic Management Office (JTMO) Falls Church, VA. at (703) 681-5633, fax number (703) 681-6146.

G-2 SHIPPING ORDERS

When transportation services are ordered under this Contract, a shipping Order substantially in the form of the Clearance Order/Shipping Order (JTMO Form 4612/1) (Attachment 2) will be issued by the Government. The Government will prepare all necessary papers including vessel papers or manifests listing the cargo stowed in containers aboard the vessel. Such papers, including vessel papers or manifests, shall be receipted by the Carrier or his agent, and shall be evidence of ownership. These documents and the Shipping Order shall be deemed to be an Order within the meaning of the Ordering Clause (FAR 52.216-18). The OO shall provide the Carrier with written notice of the Government activities authorized to issue Shipping Orders.

G-3 CONTAINER SIZE ORDERED/PROVIDED

When ordering containers from the Carrier, the OO will specify the type, length, height, and capacity of the container required. The Carrier shall not furnish a container of a different type or cubic capacity than that ordered .

G-4 APPLICATION OF RATES

G-4.1 Expression of Rates. All rates appearing in Section B are stated in U.S. dollars and cents per the applicable unit of measure.

G-4.2 Containerized Cargo. Containers stuffed with general cargo (including mail/mail equipment), refrigerated cargo, vehicles, controlled atmosphere cargo, hazardous material cargo, flatrack service and recyclable cargo shall be freighted at the appropriate rate(s) stated in Section B.

G-4.2.1 Containers stuffed with vehicles shall be freighted at the applicable measurement ton rate stated in Section B applicable to the manifest measure of the vehicles. Vehicles shall be freighted on the basis of extreme dimensions as offered for shipment not to exceed the maximum inside cubic capacity of the container. Containers stuffed with a mixture of both vehicles and general cargo shall be freighted at the general cargo per container rate.

G-4.2.2 Containers stuffed by the Carrier shall not exceed 24,000 lbs. in load weight

G-4.2.3 - Vehicles - The Carrier will be compensated for the carriage of vehicles at the applicable rate per measurement ton multiplied by the actual manifest measure of the cargo.

G-4.2.4 - Stripping, Sorting and Consolidation Charges - When ordered by the OO or their designated representative, stripping, sorting and consolidation services performed by the Carrier shall be paid in accordance with the rates set forth in Section B. (CLIN 0007D)

G-4.3 Breakbulk Cargo. Breakbulk cargo shall be freighted by applying the applicable rate to the manifested measurement tonnage (MTON) of the cargo. Cargo booked as breakbulk cargo will be so freighted at the MTON rate, regardless of whether containerized for the Carrier's convenience.

SECTION G - CONTRACT ADMINISTRATION**G-5 EXCEPTIONS TO GENERAL APPLICATION OF RATES**

G-5.1 Carrier imposed weight restrictions. When a container is precluded from being utilized to its maximum capacity specified at subparagraph G-4.2.2, above, because of Carrier imposed restrictions which limit the weight carrying capacity below the maximum weight capacity specified herein for the container, the cargo shall be freighted at the applicable measurement ton basic rate applied to the manifest measure of the cargo applied pro-rata to useable carrying capacity (e.g., the maximum capacity of the container is 20,000 lbs, but the restricted capacity is 15,000 lbs, the container will be freighted at 75% of its usual measurement ton rate). Total container weight shall not exceed 30,000 pounds.

G-5.2 Government Furnished Containers. The Carrier's charges for through transportation of commercially acceptable Government containers will be ninety-five percent of the appropriate rate for that cargo commodity. In the event the Government at its own cost elects to procure new reefer/controlled atmosphere containers and provide them to the Contractor as Government furnished equipment (GFE), the Carrier's charges for through transportation of such GFE will be fifty percent of the appropriate rate for that cargo commodity. The Carrier's charges for empty Government containers shall be one-half the appropriate rate for that container type.

G-6 PAYMENT

G-6.1 Entitlement. Freight shall be earned only upon delivery of the cargo at the ultimate destination set forth in the Shipping Order or applicable amendments thereto. Freight shall consist of the sum of all payments due for services actually furnished in accordance with the Shipping Order calculated at the rates set forth in Section B.

G-6.2 Submission of Invoices. Invoices shall be submitted in accordance with the Standard Billing Instructions (Attachment 3). The Carrier shall submit properly certified invoices or vouchers for outbound/inbound shipments, detention and other authorized charges to Military Traffic Management Command, Accounts Payable, Building 42, Seventh Floor, Military Ocean Terminal, Bayonne, New Jersey 07002. Invoices shall be submitted within six (6) months from date of shipment. Invoices received after that time will not be certified for payment and the Carrier waives any right to payment thereafter.

G-6.3 Determination of Delivery. Delivery of the stuffed container or breakbulk cargo, if inland delivery service is required, at ultimate destination and accomplishment of the Shipping Order may, for purposes of payment of freight shall be established either by a copy of a receipt signed by the consignee or its agent or upon certification of delivery by the OO based on information available within the Government. For purposes of payment of freight, delivery of container/breakbulk cargo shall be deemed to occur upon placement of the stuffed container at ultimate destination or upon expiration of two working days after the Carrier tenders the stuffed container/breakbulk cargo for delivery at the ultimate destination whichever occurs earlier. The Carrier may notify the paying activity of the date and time of the container arrival at ultimate destination for determination of the two working day basis for payment of freight.

G-6.4 Withholding of Payment. If, after delivery of the cargo or container and unstuffing by the Government, there is any damage to or shortage of cargo not definitely known to be the fault of the Government or its agents, and it is considered by the Contracting Officer that withholding of certain monies is necessary to protect the interests of the Government pending final determination of the amount of shortage or damage and the Carrier's liability therefor, the dollar amount of such shortage or damage may be estimated and withheld from sums owing to the Carrier by the Government under any Shipping Order. Likewise, the Government may recover overpayments of freight and may recover charges paid to the carrier for services and supplies

G-6.5 Reimbursement. All charges and expenses incurred for the account of the Government as provided in this Contract and which are not paid directly by the Government or by the consignee shall be paid by the Carrier, which

SECTION G - CONTRACT ADMINISTRATION

shall be reimbursed upon the presentation of properly supported invoices, including, but not limited to, Carrier's Interchange Receipt and COR certified invoices.

G-6.6 Payment. Unless otherwise provided herein, payment shall be made on the basis of freight earned as computed in accordance with paragraph G-6 above. In accordance with the Prompt Payment Act, all payments earned on shipments will be made after a) receipt of a proper invoice, in accordance with the procedures outlined above, or b) evidence of delivery as described above, whichever occurred later. The failure of the Government to provide a proper manifest in a timely manner shall not preclude the Carrier from submitting a proper invoice upon delivery of cargo as set forth above.

G-6.7 Linehaul/Drayage All inland rates provided as mileage rates at schedule B are stated in dollars and cents per manifested container size regardless of type and are applicable for drayage or linehaul services furnished by the carrier (within the parameters stated at schedule B) in conjunction with basic services provided.

G-7 REFUNDS, REBATES AND CREDITS

The Carrier agrees that any refunds, rebates, credits or other amounts (including any interest thereon) accruing to or received by the Carrier under this Contract shall be paid by the Carrier to the Government to the extent that they are properly allocable to costs, expenses or reimbursements for which the Carrier has been reimbursed by the Government under the terms of this Contract.

G-8 AGREED COST RESPONSIBILITY

G-8.1 General. As a means of facilitating the administration of this Contract, the parties have agreed that certain items of cost anticipated as likely to arise in the performance of their respective duties under this Contract shall be listed. Determinations of responsibility for items of cost agreed by the parties under this Section are intended to be consistent with the substantive clauses of this Contract; provided however, in the event of conflict, the substantive clauses of the Contract shall prevail.

G-8.2 Responsibility of the Carrier. The Carrier is responsible for the costs associated with the following services:

G-8.2.1 Furnishing and maintaining containers and chassis in CONUS only.

G-8.2.2 For CONUS only, drayage of containers including: furnishing and maintaining tractors; furnishing drivers; CONUS delivery costs of movement of containers, including tractors and driver; highway, ferry, tunnel and bridge tolls; and user taxes.

G-8.2.3 All costs of the vessel operation and all CONUS port charges and other expenses charged to the carrier's vessel in conus ports.

G-8.2.4 Except for stevedoring and port handling straight time worked in Ascension Island all stevedoring costs and port handling costs of loading and discharging and preparation, including special cargo fire or security watch required by port regulations due to loading and discharging operations. and including any overtime differential costs incurred by the Government at Ascension Island for Government stevedoring and terminal costs when overtime is ordered by the Contractor .

G-8.2.5 All Conus container terminal costs including: receipt of containers; marshaling of containers; and cleaning containers before stuffing and after unstuffing.

SECTION G - CONTRACT ADMINISTRATION

G-8.2.6 Taxes, dues, fees and other charges (including storage charges levied by governments, ports authorities, or wharfingers) on breakbulk cargo, on the containers, and on their contents, if any, except those charges which are payable by the Government.

G-8.2.7 Handling charges including terminal tariff handling charges according to the custom of the port; agency fees in connection with port clearance of cargo.

G-8.3 Responsibility of the Government. The Government is responsible for the cost of the following services:

G-8.3.1 Respot of containers within a Government facility, supply point or vendor's plant.

G-8.3.2 Container stuffing and unstuffing including: labor employed; packing material and/or dunnage employed; preparing documentation; sealing the container; removal of packing material, dunnage and placards; and sweeping.

G-8.3.3 Miscellaneous dues, fees and charges including: cargo surveyor fees when services are ordered by the Government or when resulting from dispute between the Government and the Carrier resolved in favor of the Carrier; drayage or line-haul charges listed under Section G-8.2 above when performed by the Government.

G-8.3.4 As they relate to any container and cargo charges, any vessel fees or port charge at Ascension Island shall be to the Government's account.

G-8.3.5 Any direct costs of any fines or charges incurred by the Carrier as a result of irregularities in papers supplied by the Government.

G-8.3.6 Additional personnel ordered by the Government including: Transportation and travel time of stevedore personnel when ordered by the Government for its account; overtime for customs, agriculture or public health officers provided for the convenience of the cargo, when requested by the Government.

G-8.3.7 Contaminated cargo costs including: Fumigation required solely because of contaminated Government cargo, including related costs and detention; crew overtime in connection with standby security watch when required by the OO during loading and discharging; crew wages, fringe benefits and related payroll tax when ship's crew are performing longshore work in cargo operations at the request of the terminal or by custom of the port including members of the steward's department required to prepare additional meals.

G-8.3.8 Handling charges including customs and other fees, dues and/or taxes charged to the cargo; harbor and quay dues charged to cargo based on local tariffs.

G-8.3.9 Cargo landing and wharfage charges including: Landing charges against cargo in accordance with the regulations of the port, including those billed by port authorities to the ship; and wharfage charged to military cargo.

G-9 OFFEROR'S PAYMENT ADDRESS

If the offeror's payment address is different than that shown by the offeror in Block 15A. of SF 33, then the offeror should include such address in the proposal.

G-10 SHIPMENTS BY AUTHORIZED AGENTS OF THE GOVERNMENT

The following provisions apply to shipments by recognized ordering authorities who are agents of the Government and authorized to use contractual rates resulting from this solicitation.

SECTION G - CONTRACT ADMINISTRATION

a. Parties to the contract. Parties, on the first part, include the U.S. government and its agents and authorized contractors other than the carrier(s) under this contract, including but not limited to, Code 3 Military Household Goods (MHHG) ITGBL carriers and Point to Point POV Pilot Program (PPPPP) carrier(s) (hereinafter called "the Shipper"), and, on the second part, SEALIFT INC. (the ocean carrier). The Government shall be responsible for designated ordering activities as provided at FAR 51.102(f).

b. The Carrier awarded a contract pursuant to DAMT01-98-R-9611 will receive written advice from the ACO of those contractors authorized to ship pursuant to rates established under resulting contract award(s).

c. Booking of cargo. The Shipper agrees to offer cargo for booking upon no less than 7 working days notice prior to a scheduled intermodal point or port departure date unless a later time is agreed upon by the parties for a particular shipment or group of shipments. For such shipments offered on a port to port basis by the authorized agent, the Shipper agrees to offer cargo for booking upon no less than 3 working days notice prior to a port departure date unless a later time is agreed upon by the parties for a particular shipment or group of shipments. Carriers shall have a maximum of 24 hours to accept an offering of cargo and notify the Shipper of such acceptance.

d. Shipping order. For Code 3 MHHG, the ITGBL carrier will prepare a shipping order substantially in the form of the clearance order/shipping order (JTMO Form 4612/1). For PPPPP shipments, the authorized agent will prepare a shipping order substantially in the form of the shipping order/clearance order (SOCO) (JTMO Form 4612/1). The shipping order shall be evidence of ownership and will constitute the contract of carriage issued to the ocean carrier.

e. Carrier load port. The ocean carrier shall provide the cognizant MTMC activity and the military activity responsible for cargo documentation at each port where containers with Government cargo are loaded with certain information in connection with containers loaded at that port. Container receipt information required at CONUS and designated overseas ports of loading, shall be provided within four hours after a container is received. For ordering activity shipments, container receipt and lift information shall be furnished to the party who ordered the container services stating the Shipping Order number rather than the TCN as used with other DTS shipments (on board ocean bill of lading acceptable.) Container lift information shall be provided within eight (8) hours after vessel departure for CONUS/overseas port. This information shall be provided by a mutually agreeable means and shall indicate as much of the following data for each container received/loaded as is available within that time:

1. Container Receipt Information (CONUS and Designated Overseas Ports of Loading)

- (a) Name of ocean carrier
- (b) Port of loading
- (c) Date container received at port
- (d) Carrier's container number with ALFA prefix
- (e) Transportation Control Number (TCN)
- (f) Seal and/or keyless lock number

2. Container Lift Information (CONUS/Overseas Ports of Loading)

- (a) Name of vessel and voyage document number

SECTION G - CONTRACT ADMINISTRATION

- (b) Carrier's container number with ALFA prefix
- (c) Transportation Control Number (TCN)
- (d) Port of discharge
- (e) Final destination
- (f) General description of container contents, i.e., General Cargo - Mail/Mail Equipment - Privately Owned Vehicles (POV'S) - other Unboxed Wheeled or Tracked Vehicles - Refrigerated Cargo
- (g) Seal and/or keyless lock number -

Note: The carrier is to notify the ACO if a seal on any container has been broken and/or replaced between the time the carrier accepted the loaded container from the Government and the time of arrival at inland destination or point of Government acceptance from the carrier with a complete report as to the circumstances and the reasons therefore.

f. Carrier discharge port. The ocean carrier shall provide the cognizant MTMC port activity with certain information in connection with containers discharged at that port. For authorized agent shipments, container discharge information shall be furnished to the authorized agent's consignee listed on the Shipping Order stating the Shipping Order number (arrival notice or similarly acceptable notice with discharge noted.) This information, which shall be provided for each container discharged as soon as practicable after discharge, but not later than one day following the commencement of drayage or line-haul, shall include the following:

Name and voyage number of vessel making delivery

Name and voyage number of original carrying vessel if transshipped

Date and time the container was discharged from the vessel

Date, time, and mode of commencement of drayage or line-haul from discharge port to inland destination, container number, and consignee.

g. Weekly lift and authorized agent shipment statistics. The Carrier agrees to provide volume information by sailing to the COR for all shipments under this contract with statistics specifically segregated from overall lift. Information shall include, but is not limited to, the number of containers by origin or destination, direction and size of equipment.

h. Payment. The authorized agent shall make payment directly to the ocean carrier for services ordered under this agreement. The carrier will provide written verification of delivery to the ordering activity.

i. Detention invoices. The authorized agent ordering services from the ocean carrier is responsible for certification and payment of all container detention charges applicable in accordance with the contract.

G-11 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2) (Jun 1988)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

SEALIFT INC.

DAMT01-98-D-9611
Ascension Island
Section G

SECTION G - CONTRACT ADMINISTRATION

<u>Clause</u>	<u>Title & Date</u>
252.201-7000	Contracting Officer's Representative (Dec 1991)

SECTION H - SPECIAL CONTRACT PROVISIONS**H-1 BOOKING POLICY**

Cargo designated for shipment will be booked by individual rate category to the U.S. Flag carrier awarded under this contract to the Ascension Island

H-2 CENTRAL CONTRACTOR REGISTRATION (CCR)

Department of Defense (DoD) policy will require all offerors who do business with federal agencies to be registered in the CCR to receive solicitations, awards and payments. The CCR allows Federal Government contractors to provide basic business information, capabilities and financial information one time with changes updated annually. As the single repository for contractor data, the CCR will provide worldwide visibility of sources to Government acquisition personnel and finance officers.

To register, you may obtain an application via facsimile by calling the FAX-On Demand System at 1-703-696-0504. Upon receipt, you may mail or fax the application to:

DoD
Attn: CCR Assistance Center
1700 N. Moore Street, Suite 1425
Arlington, VA 22209
Tel: 1-888-CCR-2423 or FAX: 1-703-696-0213

You may also input your application directly to the CCR through the interactive World Wide Web application at <http://www.acq.osd.mil/ec>.

All contractors conducting or planning to conduct business with the Military Traffic Management Command are required to register in the CCR as soon as possible to ensure future consideration for receipt of solicitations, awards and payments. Please note that the registration process may take approximately 30 days due to the volume of contractors registering.

H-3 LIMITATION OF GOVERNMENT LIABILITY

H-3.1 Dead Freight. The Government shall not be liable for payment of dead freight.

H-3.2 Required Delivery Dates. Notwithstanding any other provisions of this Contract, the Government may make alternative transportation arrangements, without notice to the Carrier, for any cargo that the Carrier cannot deliver by the Required Delivery Date (RDD) provided by the OO for that cargo. The determination to make alternative transportation arrangements on the basis of RDD shall be made by the OO after submission of a request in writing from the OO for such arrangements.

H-4 EXCEPTED CATEGORY CARGO

Excepted category cargoes are listed below. Pursuant to the Changes Clause (FAR 52.243-1 Alternate IV), rates for their carriage may be negotiated by the Contracting Officer prior to booking. (The Contracting Officer is not required to ship excepted category cargo with the Carrier). The Carrier shall not accept excepted category cargo for shipment unless a rate for its carriage has been negotiated with the Contracting Officer or the Contracting Officer has issued an unpriced change order pursuant to FAR 52.243-4, (AUG 1987). Cargo categories not

excepted below and for which specific rates do not appear herein, shall be carried at the applicable General Cargo rate.

- Aircraft (unboxed)
- Bulk Cargo (not containerized in tank cars, vehicles, or containers)
- Boats over 40 feet in length
- Oversize Cargo (single shipment quantity in excess of 50,000 pounds or 30 measurement tons)

Refrigerated Cargo (CONUS BOUND)

H-5 GOVERNMENT OBLIGATION

H-5.1 Volume of Cargo. A projection of cargo to move under contracts awarded pursuant to this solicitation were provided in attachment 4 of the RFP. JTMO does not guarantee the completeness or accuracy of the projection, which is provided for informational purposes only.

H-5.2 Average Minimum Guarantee. The Government shall guarantee a payment of 85 twenty foot equivalent units (TEUs) per round trip voyage based on an aggregate sequential voyage average (ASVA) for the minimum service to Ascension Island every 60 days. In the event a more frequent service is accepted by the Government, such guarantee shall be adjusted proportionally. Additional sailings will not be included for the purpose of averaging the ASVA. The calculation of the ASVA in accordance with Section H-5.2.3, below, shall determine the entitlement, if any, to such minimum payments. Such minimum payments, if any, shall be rendered to the Contractor at the end of each six month period of the Contract based on an ACO certification to the PCO that the ASVA for the minimum number of voyages falls below the minimum 85 TEUs per round trip voyage. The Government shall compensate the Contractor for each whole TEU that the ASVA falls below the 85 TEU minimum.

H-5.2.1 Application of ASVA. For purposes of calculating the rate for minimum ASVA payments, the per TEU compensation for any ASVA for a specific voyage that falls below the minimum of 85 TEUs shall be the average of rates as specified in Section B of contract line items 0001DA and 0002AA for firm the 3 year period.

H-5.2.2 Cargo Lift Certification Procedures For Payment of ASVA Minimums. The Contractor, within ten (10) working days of the end of each six month period of the Contract (semi-annually), shall submit to the ACO a worksheet detailing the total cargo lifted on each voyage of the respective semi-annual period. The Contractor shall add any cargo carried on additional sailings above the minimum required in Section C-1.1 of the Contract to the nearest minimum sailing's arrival at Ascension Island in the semi-annual period. Upon certification of the ASVA worksheet by the COR (for that semi-annual period), the Contractor shall submit an invoice, if entitled, to the the designated paying activity (or any subsequently identified paying office) under this Contract for any certified minimum payments. Such invoice, if any, shall be accompanied by the ACO certified worksheet.




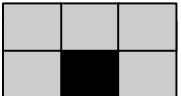
H-5.2.3 Volume of Cargo. A minimum volume of cargo per round trip voyage is guaranteed under this Contract. The Government shall guarantee 85 TEUs (or adjusted amount as indicate in H-5.2, above) per round trip voyage based on a semi-annual aggregate sequential voyage average (ASVA). For calculation purposes, a round trip voyage shall include all of the cargo tendered by the Government for an outbound sailing from CONUS to Ascension Island and the following inbound sailing from Ascension island to CONUS. The Government shall sum the total number of all containers tendered by the Government for each round trip voyage. Breakbulk cargo shall be added to that total by converting the manifest measure of all such cargo using a conversion of one TEU per 21 measurement tons of cargo tendered. Vehicles shall be added to that total by converting the manifest measure of all such cargo using a conversion of one TEU per 10.5 measurement tons of cargo. The ASVA shall then be

determined for every six months of the Contract by dividing the total cargo tendered by the Government for all of the round trip voyages completed during the respective 6 month period of the Contract by the number of the voyages. That ASVA of TEUs shall determine payments, if any, that are payable as minimums. The ASVA shall be based solely on the minimum sailings in accordance with Section C-1.1. Any cargo carried on additional sailings during the semi-annual period shall be added to the aggregate cargo of the nearest required minimum sailing completed during the quarter. Additional sailings will not be included for the purpose of averaging the ASVA. Such payments shall be made in accordance with Section G.

H-5.3. Over Dimensional and Unusual Size Cargo Service

(a) Surcharges for under 40 ft flatracks appear at Schedule B. Such surcharges shall not, however, apply to Government owned flatracks. Charges for over dimensional cargo and out of gauge flat racks shall equal the additional slot charge for displaced dry container(s) by size, less a 40% discount (see below). No payment shall be made for side or top stow where no additional slot is used by size of flat.

The following formulae for computation of out of gauge flat racks shall used:

In gauge:	$\frac{\text{BOF (Basic ocean freight)} + \text{FRS (Flat rack surcharge)}}{\text{TC (Total charge)}}$	
Over height: (max: 13' 2" from base of platform)	$\frac{\text{BOF} + (\text{BOF} \times 60\%) + \text{FRS}}{\text{TC}}$	
Over width:	$\frac{\text{BOF} + ((\text{BOF} \times 2) \times 60\%) + \text{FRS}}{\text{TC}}$	
Over height and over width:	$\frac{\text{BOF} + ((\text{BOF} \times 5) \times 60\%) + \text{FRS}}{\text{TC}}$	

The above calculations will be modified based on operational dimensions and eventuality of side/top stowage:

Over dimensional cargo is any cargo which has a dimension (length/width/height) of 474" x 98" x 102"

For side stow of over width: $\text{BOF} + (\text{BOF} \times 60\%)$ vice $\text{BOF} + ((\text{BOF} \times 2) \times 60\%)$

For side stow of over height/over width: $\text{BOF} + ((\text{BOF} \times 2) \times 60\%)$ vice $\text{BOF} + ((\text{BOF} \times 4) \times 60\%)$

For top stow of over height - BOF - no additional slot

A 40% discount shall be applied for vacant slots in any configuration.

(b) Vacant slots for which charges are assessed will be counted toward the average minimum cargo guarantee stated at H-5.2 of this section.

(c) The Government reserves the right to ship oversized/over dimensional cargo on breakbulk terms. The Carrier, at its discretion, may elect to containerize the cargo, but at no additional cost to the Government above those breakbulk rates specified in Schedule B.

H-5.4. Service Commitment.

a. Space Commitments: Carrier's space commitment shall be as stated at paragraph C-1.1.

b. Service changes. The Carrier may modify its schedule to reflect permanent changes in its regularly scheduled service as offered pursuant to section L-6.3.4. of the solicitation to the extent that the Carrier remains in compliance with provisions at paragraph C-1.1.

H-6 LIMITATIONS OF CARRIER'S OBLIGATION

H-6.1 Cargo Rejection. Notwithstanding any other provisions of this Contract, the Carrier shall have the right to reject explosives (other than Class 1); dry or liquid bulk cargo (i.e., not packaged, containerized or in vehicles); any species of live animals and other cargo deemed by the Carrier to be dangerous or obnoxious in character. Any such cargo accepted for carriage shall be freighted at the General Cargo rate..

H-6.2 Unsafe Operation. The Carrier shall not be required to receive or deliver containers at points or places where it is impracticable or unsafe to operate tractors and chassis due to conditions of roads, streets, or alleys or when prevented from doing so because of fire, acts of God, acts of war, riots, civil commotions, strikes, lockouts, stoppages or restraints of labor or other labor disturbances.

H-6.3 Hazardous Cargo . The transportation and handling of hazardous cargo for shipment shall be subject to Title 49 of the Code of Federal Regulations, Part 171, et seq. (49 CFR) in force at the time of shipment. The Carrier shall refuse to transport hazardous cargo, either by land or by ocean, which does not conform in all aspects to these regulations and any other applicable U.S. governmental regulations. When the Carrier refuses to pick up a container based on non-compliance with appropriate regulations as stated herein, the Government shall reimburse the Carrier the actual linehaul/drayage charge for such container if the Carrier has made a futile trip in connection with such circumstances as a result of Government failure to comply with applicable hazardous cargo regulations.

H-6.3.1 Hazardous Waste Material When transporting hazardous waste material, the carrier must obtain an Environmental Protection Agency identification number (40 C.F.R.263.11). Carrier should accept only those hazardous wastes that have been manifested in accordance with 40 C.F.R. 262.20 and 262.20(b). The manifest shall stay with the shipment to its destination. 40 C.F.R 263.20 (c). Carrier must deliver the waste to the designated TSD facility on the manifest or to its designated alternate facility in case of an emergency. 40 C.F.R. 263.21(a) and (b).

(a). Spill Reporting - In the event of an accidental discharge of the hazardous material during transporting the carrier is required to take immediate action to protect human health and the environment as defined in 49 C.F.R. 171.15 and must be reported verbally and in writing to the National Response Center, Office of Hazardous Material Regulations Department of Transportation, Washington, DC 20590. See 33 CFR 153.203, 40 C.F.R. 263.31, State and local laws may require additional notifications. Carrier is liable for spills and discharges of cargo while being transported and is responsible for the cleanup. 40 C.F.R. 263.30 and 31.

(b). Storage - Carrier may store material enroute up to ten (10) days at each transfer facility as defined by 40 C.F.R. 260.10, 263.12 and 268.50 (a) (3) without becoming a TSD facility . If storage exceeds the ten days at any

transfer facility, then the carrier must issue a new manifest and sign and return to the initial shipper its original manifest. Carriers transporting hazardous waste material into the United States from abroad or who mix hazardous wastes of different DOT shipping descriptions into the same container must also meet the standards applicable to hazardous wastes shippers.

H-6.4 Explosives. Explosives, other than small arms ammunition, are excluded from the scope of this Contract and shall not be carried hereunder.

H-6.5 Maximum Volume of Cargo. The Contractor's maximum cargo volume service obligation to the Government under the Contract schedule is the full cargo capacity of the vessel(s) offered for service which shall be not less than 85 20' containers and 2000 square feet of protected breakbulk/vehicle space per minimum sailing outbound. Inbound CONUS will consist primarily of empty containers being returned to Contractor. Return container and breakbulk shipments will be booked on an as required basis with the contractor. In the event a Carrier holding a contract under this solicitation is unable to transport the minimum volume guaranteed on the route, the ACO reserves the right to make other arrangements to meet such requirements. During the term of this contract, the total cargo to be shipped on the route, shall not exceed the total TEU vessel capacity for the number of voyages scheduled under the Carrier's contract under this solicitation.

H-7 DAMAGE TO EQUIPMENT

H-7.1 Damage to Carrier Equipment. Should a container, chassis, or any other piece of Carrier equipment be damaged by act of the Government, its agents, employees, or Contractors while such Carrier equipment is in the custody of the Government, its agents, employees or Contractors, the Government shall repair or reimburse the Carrier the least of the following: the reasonable costs of repairs; the fair market value immediately prior to the damage; or the depreciated value on the Carrier's books. The Carrier will assign to the Government any rights, causes of action, or other claims which the Carrier may have against third parties with respect to such damage. The Government shall not be liable for the repair of any damage under this Section unless written notice specifying such damage shall have been given to and acknowledged by the Government or its authorized representative at the time custody of the container or other equipment is returned to the Carrier. Claims submitted under this Section and Section H-7.2 below shall be filed to the Joint Traffic Management Office, 5611 Columbia Pike, Office of Counsel, room 108, Falls Church, VA 22041-5050.

H-7.2 Damage to Carrier Vessel or Vessel Equipment. Should the vessel or its equipment be damaged by act, neglect or failure of equipment of the Government, its agents, employees, or Contractors in loading or discharging the vessel, the Government shall reimburse the Carrier the reasonable costs of repairs and the Carrier will assign to the Government any rights, causes of action, or other claims which the Carrier may have against third parties with respect to such repairs. In the event that any damage should occur to the vessel or its equipment as a result of the joint fault of the Carrier and the Government, payment for such damage shall be apportioned pro rata in accordance with the respective degrees of fault. The Government shall not be liable for the repair of any damage under this Section unless notice specifying such damage and the name(s) of the party or parties causing such damage shall have been given to and acknowledged by the Government or its authorized representative as soon as possible after the occurrence of such damage, or in any event before the vessel leaves the berth or anchorage where the damage occurred, and provided, further, that the Government shall not be liable for the repair of any damage under this Section if such damage is caused by a Contractor of the Government unless demand first is made upon such Contractor by the Carrier and payment therefor has been refused.

H-7.3 Damage to Government Equipment. The Carrier shall be liable for loss of or damage to Government containers and chassis while in the Carrier's custody to the same extent that the Government is liable for loss of or damage to the Carrier equipment while in the Government's custody. The Carrier will not procure insurance coverage on Government containers and will not be liable for any loss thereof under circumstances covered by the Carrier's war risk insurance on its own containers.

H-8 GOVERNMENT FURNISHED CONTAINERS

From time to time the Government may book cargo for carriage in Government-owned or leased containers or may book carriage of empty Government owned or leased containers. It is contemplated that such containers will usually be 20 foot closed top, dry ISO cargo containers, although other types and sizes of containers may be used. The Carrier will furnish any additional equipment, including chassis, necessary for the carriage of cargo in Government containers in accordance with the provisions of this Contract and the requirements of particular Shipping Orders. Except as provided at G-5.2., all provisions of this Contract shall apply to the carriage of cargo in Government containers in the same manner that they apply to the carriage of cargo in the Carrier's container.

H-9 CARGO RECEIPT

Any receipt signed by or on behalf of the Master shall be without prejudice to the terms, conditions, and exceptions of this Contract, and subject to all of them. The Government fully warrants the accuracy and completeness of all papers and documents relevant to the shipment of all cargo tendered under this contract.

H-9.1 Improper Documentation If the Government does not provide the Carrier with the correct container documentation at the time and location of Carrier acceptance, the Carrier may refuse to accept the container. If the Carrier chooses to pick-up or accept the container, the Carrier shall provide the cognizant MTMC manifesting activity with all the missing receipt or lift data in order that the container can be completely identified for onward movement. This information must be provided within one (1) working day of receipt or lift, or earlier if necessary to meet the scheduled vessel sailing. The Government shall hold harmless the Carrier, the Master, and the vessel of and from all consequences or liabilities that may arise from any irregularity in the papers supplied by the Government, and shall reimburse the carrier the direct cost of any fines or charges incurred as a result thereof in accordance with Section G-8.3.5 of the Contract.

H-10 FAILURE TO SPOT

H-10.1 Remedies. When the Carrier fails to spot an empty container by the designated date and time, and as a result there is not reasonable time to allow stuffing and release of the container in sufficient and reasonable time to meet the scheduled sailing date of the vessel to which the container is booked, the Carrier shall be liable either for the payment of liquidated damages or for the reimbursement of expenses incurred by the Government to obtain alternate transportation of the container. The Government shall also be entitled to cancel the booking of such cargo.

H-10.2 Liquidated Damages. Liquidated damages for failure to spot shall be equal to the detention charges as stated at H-24.4, for each 24-hour period, or part thereof, from the time and date for spotting until the container is spotted or a new spotting date and time are agreed upon by the OO. Further, if the failure to spot does not allow for Government stuffing and release of the container in sufficient reasonable time to meet the scheduled sailing date of the vessel to which the container is booked, liquidated damages equal to detention charges for each 24-hour period, or part thereof, will apply from the completion of loading of the vessel to which the container was originally booked to the time of commencement of loading of the Carrier's next scheduled vessel to the port of destination to which the container was booked. If the Government cancels the booking, the Carrier's liability for liquidated damages shall be limited to the period ending with cancellation.

H-10.3 Alternate Transportation. If the Government elects to employ alternate intermodal transportation to move the container to another port, the Carrier shall be liable for any expenses or costs incurred by the Government above the expenses that normally would have been incurred had the container been furnished by the designated time and date.

H-10.4 Government Responsibility for Failure. Neither liquidated damages nor charges for Government expenses will be assessed if the Carrier can establish: 1) that the inability to spot the container as agreed is the

result of the Government's failure to unstuff and release an empty container to the Carrier within a reasonable time to meet the required spotting date; 2) that it advised the OO of such inability at least seven days prior to the required spotting date; and 3) that the Carrier only accepted bookings which could reasonably be expected to be fulfilled.

H-11 DELAY IN SPOTTING

When the Carrier fails to spot an empty container by the designated date and time, and as a result the Government must incur overtime expenses to enable stuffing and release of the container by the Government prior to the scheduled sailing date of the vessel, the Carrier shall be liable for payment of liquidated damages equal to the total overtime expense incurred by the Government.

H-12 OVERWEIGHT CONTAINERS

H-12.1 Notification. At the time of booking, the Carrier shall notify the OO if the maximum cargo weight which can be loaded into a container which is to be stuffed by the Government is less than the standard maximum cargo weight capacity for the container, and the reason therefor. Containers on which such restrictions are imposed shall not be utilized under this Contract if acceptable containers are available for the required service from any other Carrier which does not impose a restriction. For the purpose of this contract, any container weighing over 30,000 pounds is considered overweight due to lift limitations at Ascension Island and will not be accepted without written approval of the OO.

H-12.2 Cost Liabilities. If the Government stuffs a container with cargo weighing in excess of the container's standard maximum weight carrying capacity or in excess of any lesser weight of which it has been given notice under Section H-12.1, it shall remove, or pay the expense of removing the excess of cargo, reimburse any fines or penalties exacted of the Carrier in moving or handling the excess weight of cargo. All fees or other costs incident to weighing containers shall be the responsibility of the Carrier.

H-12.3 Carriage of Overweight Containers. The Carrier shall not refuse to carry a container between a CONUS port and Ascension Island that weighs in excess of the local maximum weight allowed by U.S. Federal, state, or local governments if the container can be discharged from the vessel and the excess weight of cargo can be removed without violation of the applicable law, regulation, or ruling that established the maximum weight.

H-13 GOVERNMENT FAILURE TO TIMELY RELEASE CONTAINERS

H-13.1 Occurrence. When a container which has been positioned at a Government stuffing facility is not released by the Government within a reasonable time to meet the scheduled sailing time and date of the Carrier's vessel to which it is booked, thereby precluding the container from being loaded on the vessel, the Government shall have the alternatives set forth below. In no event will the Government be liable for vessel demurrage or dead freight as a result of failure to release a container in time to meet a specified vessel sailing.

H-13.2 Load on the Next Vessel. The Government may allow the Carrier to load the container on the next vessel scheduled to the booked port of debarkation and pay the Carrier detention charges as set forth in the contract from the time of completion of loading of the vessel to which the container was originally booked to the time of the commencement of loading of the Carrier's next scheduled vessel to Ascension Island.

H-13.3 Unstuff the Container. The Government may order the Carrier to move the container to another place for unstuffing. The Government shall bear all costs of such movement and shall pay detention charges set forth in the contract, between the time of completion of loading of the vessel to which the container was booked and the release of the empty container.

H-13.4 Move to Another Place for Shipping. The Government may order the Carrier to move the container to another place, including another Carrier's terminal. The Government shall bear all costs of such movement. The Government shall return the container to the Carrier at the port of debarkation and shall pay the Carrier the applicable equipment leasing rate set forth in Section H-41 during the time it is in possession of the Government.

H-14 CARRIER FAILURE TO LOAD CONTAINERS

H-14.1 Occurrence. When a stuffed container is released by the Government within reasonable time to meet the scheduled sailing time and date of the Carrier's vessel to which it is booked and the container is delayed, through fault of the Carrier, thereby precluding the container from being loaded on the vessel, the Government shall have the remedies set forth below.

H-14.2 Load on the Next Vessel. The Government may order the Carrier to load the container on the next vessel scheduled to the same port of debarkation and hold the Carrier liable for liquidated damages equal to detention charges from time of completion of loading of the vessel to which the container was originally booked to the time of completion of loading of the Carrier's next scheduled vessel to Ascension Island.

H-14.3 Move to Another Shipping Place. The Government may take possession of the container and transport it by any means available to the Government. The Government shall return the container to the Carrier at the port of debarkation. The Carrier shall be liable for liquidated damages equal to detention charges commencing at the time of completion of loading of the vessel to which the container was originally booked and ending when the vessel on which the container is loaded sails. The Carrier shall also be liable for freight, and any other expenses, paid by the Government for movement of the container over that freight which would have been paid to the Carrier if it had been loaded as originally booked.

H-14.4 Return the Cargo. The Government may elect to return the cargo, in which case the Carrier shall move the container to a place designated by the OO for unstuffing and shall bear all costs for such movement and unstuffing. The Government shall not be obligated to pay for use of the container. The Carrier shall be liable for liquidated damages in an amount equal to detention charges, commencing at the time of completion of loading of the vessel to which the container was originally booked and ending when the OO Officer notifies the Carrier of this course of action.

H-15 NO FAULT FAILURE TO MEET SAILING

H-15.1 Occurrence. If a container stuffed with cargo misses the sailing for which it is scheduled due to no fault of the Government or the Carrier, the Government shall have the remedies set forth below.

H-15.2 Load on the Next Vessel. The Government may order the Carrier to load the container on the next vessel scheduled to the same port of debarkation. The Government shall pay only for freight and usual charges.

H-15.3 Move to Another Shipping Place. The Government may order the Carrier to move the container to another place, including another Carrier's terminal. The Government shall bear all costs for such movement, and shall return the container to the Carrier at the port of debarkation.

H-15.4 Return the Cargo. If the Government elects to order the return of the cargo, the Carrier shall move the container to a place designated by the OO for unstuffing. The Government shall bear all costs of such movement.

H-16 DELAY OF SCHEDULED SAILING

H-16.1 Occurrence. If the scheduled sailing to which container cargo is booked is delayed, through no fault or failure of the Carrier, more than 96 hours (48 hours for container stuffed with refrigerated or perishable cargo)

beyond either the departure time scheduled when the container was ordered, or the time the stuffed container arrived at the Carrier's terminal, whichever is later, the Government shall have the alternatives set forth below.

H-16.2 Container Release. The Government may allow the container to move on the delayed sailing.

H-16.3 Move to Another Shipping Place. The Government may order the Carrier to move the container to another place, including another Carrier's terminal. The Government will bear all costs for such movement, including removal of the container from the vessel and placement on a chassis. The Government shall return the container to the Carrier at the port of debarkation.

H-16.4 Return the Cargo. If the Government elects to order the return of the cargo, the Carrier shall move the container to another place designated by the OO for unstuffing. The Government shall bear all costs of such movement, including removal of the container from the vessel.

H-17 STORAGE CHARGES

When the Carrier fails to pick-up a container from the Government facility within the time period specified in Section C-2.3, the Carrier shall be liable for payment of storage charges computed at the detention rates for each 24-hour period, or pro-rata portion thereof, from expiration of the time.

H-18 COMMENCEMENT AND TIME STANDARD OF DELIVERY TRANSPORTATION

When the Carrier fails to commence or meet the time standard of inland delivery transportation within the specified time period, the Carrier shall be liable for payment of liquidated damages, computed at the rates for detention charges for each 24-hour period, or pro-rata portion thereof, in excess of the time period specified at C-2.6 in the contract, excluding time lost due to delay in commencing delivery pursuant to a request by the OO, labor disturbances, or fault or failure of the Government.

H-19 TRANSSHIPMENT OR RELAY

H-19.1 Policy. The Carrier shall not transship or relay cargo, containerized or breakbulk, unless it has received written permission to do so from the OO at the time of booking. The Carrier's request for permission shall include notice of the extent to which it will transship or relay the container between vessels (whether its own or other Carriers') and of the flag of the vessels involved. Transshipped or relayed containers shall be loaded aboard the first available vessel sailing from the port of transshipment or relay. The Carrier shall immediately notify the MTMC representatives at the ports of loading, transshipment or relay, and destination of the name of the vessel and/or Carrier and estimate time of arrival at destination.

H-19.2 Foreign Flag Vessels. No foreign flag vessel will be used for any portion of the carriage between the ports of loading and discharge unless the use of such vessel has been disclosed to and approved by the Director of JTMO or his/her designee prior to booking, or unless delivery to the port of discharge on the U.S. flag vessel scheduled to carry the container to the port is prevented by a casualty to the vessel that precludes its call at the port of discharge within a reasonable time and the Director of JTMO or his/her designee has approved transshipment to the foreign flag vessel. No freight shall be due for any transportation wholly or partially on a foreign flag vessel in violation of this paragraph.

H-19.3 Notification of Arrival. When delivery of cargo is made by a transshipment or relay vessel, the Carrier will notify the COR of the impending arrival of the cargo at the port of final destination, and will include in such notification, the name, estimated time of arrival, and flag or registry of the ship in which it will arrive; the Carrier's name, the ship and voyage document number to which the cargo was originally manifested; the container number, if applicable; and the names and flags of registry of any ship utilized for intermediate transshipment or relay.

H-20 DIVERSION FOR THE CONVENIENCE OF THE GOVERNMENT

Upon written direction by the Contracting Officer, the Carrier may route or divert its vessel, for the convenience of the Government, to a port of loading or discharging not on the route for which rates are quoted in Section B. The written direction shall reflect the special routing or diversion and state the agreed additional freight, if any, to be paid by the Government for such special routing or diversion.

H-21 TRANSFER OF CONTAINERIZED CARGO

The Carrier shall not transfer or transload cargo from one container to another without the authorization of the OO, except when such transfer is required to safeguard the cargo during the continuation of the movement. When cargo is transferred from the original container, the Carrier shall immediately so notify the MTMC activities having cognizance over the loading and discharge ports. Such notice shall contain the serial number and seal number of the original container, and of the container to which cargo was transferred, the place where the transfer occurred and the reason for the transfer. When the container to which the cargo was transferred differs in internal cubic capacity from the original container, freight shall be based upon the cubic capacity of the original container.

H-22 GOVERNMENT DRAYAGE/LINE-HAUL

If the booking terms require delivery of the container to the Government at the Carrier's terminal at the CONUS port of discharge, the Carrier's obligation under this Contract shall terminate at the time the container with chassis is hooked to the Government tractor or at 0001 hours after the container has been discharged from the vessel, placed on a chassis, cleared for line-haul or drayage by all applicable agencies of the local Government, including Customs, and the OO has been notified that the container is ready for line-haul or drayage, whichever occurs first.

H-23 TIME

H-23.1 Free Time Allowed. The total amount of free time in CONUS will be ten (10) days. At Ascension Island, total free time shall be the time between delivery of a container and arrival of the Carrier's next vessel.

H-23.2 Commencement of Free Time. Time shall commence to run at 0001 hours local time after the container is physically tendered for delivery.

H-23.3 Running of Time. Time shall not run during any Saturday, Sunday, or locally observed holiday at the place the container is located. Time shall run during any period when clearance by local government agencies is delayed due to the non-availability of documents required for such clearances which are furnished by the Government, provided, that the container is otherwise ready for line-haul/drayage and the OO has been notified of the unavailability of such documents. Time shall, when such delay is requested by the Government, run during the period of delay prior to commencement of inland delivery.

H-23.4 No Running of Time. Time shall not run during any period containers are held due to local labor disturbances.

H-23.5 Cessation of Time. Time shall cease to run at 2400 hours on the day the Carrier is notified that the container is released or when the container is returned to the Carrier, whichever is earlier.

H-23.6 Delivery at Carrier's Terminal. When the OO elects to take delivery of containers at the Carrier's Terminal at the port of discharge, time shall start to run when the container with trailer is hooked to the Government tractor.

H-23.7 Refrigerated Containers. The Carrier is responsible for ensuring that there is enough fuel to sustain refrigerated containers during the free time allowed under this agreement. This fuel shall be provided at the Carrier's expense.

H-24 DETENTION

H-24.1 Incurrence. In the event the Government holds the Carrier's container longer than the free time allowed, the Government shall pay detention charges as set forth below.

H-24.2 Computation of Detention. Detention charges will be paid at the rates set forth below for each 24 hour period of time, or pro-rata portion thereof, beyond the total allowed free time that the containers are held by the Government. No detention charge will be incurred for time spent in stuffing containers. Rates are expressed in dollars and cents and apply for containers with or without chassis.

H-24.3 Refrigerated Containers. When Government caused delay of a refrigerated container results in payment of detention, the Carrier shall be reimbursed for fuel consumed during the detention period. The compensation payable by the Government will be at the Carrier's actual cost including labor and materials.

H-24.4 CONTAINER DETENTION CHARGES

A. DRY CARGO CONTAINER (includes closed containers, open top containers, flat racks, car carriers, any of the above with chassis, and chassis alone)	<u>FIRST 3</u> <u>DAYS</u>	<u>NEXT 3</u> <u>DAYS</u>	<u>THERE-</u> <u>AFTER</u>
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20 FT and over	\$20.00	\$27.00	\$34.00
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B. REFRIGERATED CONTAINER & TANK CONTAINER (includes container with chassis)

20 FT and over	\$60.00	\$75.00	\$90.00
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C. POV & MILITARY VEHICLE PER UNIT PER DAY \$15.00

H-24.4 Detention Invoices. Detention invoices must be submitted to the OO's representative designated to Certify such invoices no later than six (6) months from the date the empty container is returned to the Carrier. Detention invoices received after that time will not be certified for payment and the Carrier waives any right to payment thereafter.

H-25 USE OF GOVERNMENT TERMINALS

H-25.1 Services. When the Carrier calls to load or discharge containers or breakbulk cargo at government facilities, if requested by the Carrier, the Government shall make available such services and materials as may be required to permit the Carrier to perform with dispatch its responsibilities under this Contract in connection with the loading or discharging of cargo. The Government shall provide necessary husbanding services to the vessel while it is at the facilities. The Carrier shall pay the Government, represented by the agency operating the facilities, for such services or materials in accordance with schedules established by that agency.

H-26 SHIFTING DOCKS

Within a vessel's port of call, the COR may require the vessel to call at, or shift to a particular dock wharf, place or open roadstead at which the vessel can lie always safely afloat at any time of tide, or at which, in the judgment of the Master, the vessel may lie safely aground, and to and from which the vessel may safely proceed when the aggregate of the cargo to be loaded or of the cargo to be discharged at such location is 300 measurement tons or more. If the COR orders such a call or shift and less than 300 measurement tons of cargo are loaded or discharged, the direct costs of such shift shall be reimbursed by the Government. Nothing herein shall be construed as a warranty by the Government of berth, or approaches thereto, at facilities owned or operated by or for the Carrier or at other commercial facilities normally utilized by ships of the size as the Carrier's vessel to load and discharge cargo.

H-27 CUSTOM OF THE TRADE

Wherever the standard of performance by either party is not provided under the provisions of this Contract, the "Custom of the Trade" shall be used as a standard of performance. This phrase shall mean the established practice generally accepted by the trucking, rail and marine shipping industries providing transportation services in the geographic trade covered by this Contract.

H-28 SECURITY

If the Government notifies the Carrier that the employment or the continued employment of the Master or any member of the crew is prejudicial to the interests or endangers the security of the United States of America, the Carrier shall make any changes necessary in the appointment(s). Any costs to the Carrier occasioned by such changes shall be reimbursed by the Government.

H-29 SAFETY IN LOADING AND DISCHARGING OF CARGO

The Carrier shall comply with all applicable provisions of Public Law 91-596, 84 Stat. 1590 (approved December 29, 1970) known as the Occupational Safety and Health Act of 1970 (29 USC 655, ex. seq.) and with the standards promulgated thereunder by the Secretary of Labor for Safety in loading and discharging of cargo

H-30 POSITION REPORTS

When specifically requested by the OO or the Contracting Officer Representative (COR), the Carrier shall furnish the Government with the daily noon position of vessel's serving this Contract.

H-31 SUBSTITUTION

If the Carrier wishes to materially change its service or to substitute another vessel or other equipment for the vessel or equipment initially offered for service, the Carrier must submit to the Contracting Officer within 30 calendar days of the anticipated change a written request detailing such change and the impact on the service provided. The Carrier shall not implement such a change without the written consent of the Contracting Officer.

H-32 WAR RISK

H-32.1 Reimbursement.

H-32.1.1 Normal Port Calls. In the event it is necessary for the vessel's owners to pay premium to extend the coverage of crew, hull and machinery, and protection and indemnity insurance and insurance covering the loss and damage of containers while aboard the vessel to include war risks in excess of premium on such war risk coverage on the date the Carrier's rates were submitted under this Contract, or to pay crew war risk

bonuses as a result of the vessel entering a war risk area, the Government shall reimburse the Carrier for a percentage of such extra premium and bonus payments based on the ratio existing between the cargo carried for the account of the Government which is loaded or discharged at ports within the war risk area and the total cargo aboard the vessel which is loaded or discharged at ports within the war risk area.

H-32.1.2 Government Requested Port Calls. If Carrier is ordered to any port, place, zone, or route involved in a state of war, warlike operations or hostilities, civil strife, or piracy (whether there be a declaration of war or not) where she might reasonably be expected to be subject to capture, seizure, arrest, or hostile act by a belligerent power (whether de facto or de jure), it shall be unreasonable for the Carrier not to prosecute said instructions if insurance against said risks is then available commercially or under a Government program. In the event of the existence of said risks, the Government shall reimburse the Carrier for all such excess premium and bonus payments and for the extra cost of cargo war risk insurance premium on commercial cargo aboard the vessel at the time of entry into the war risk area.

H-32.1.3 Government Provided Insurance. If commercial marine, war risk, and liability is not available or if marine, war risk, and liability insurance through the Secretary of Transportation under Sections 1202-1205 of the Merchant Marine Act of 1936, 46 App. U.S.C. 1282 - 1285, is available at a lesser rate, the Contracting Officer reserves the right to require Carriers to obtain the necessary marine, war risk, and liability insurance from the Secretary of Transportation. Further, in the event that the Secretary of Defense, or his authorized designee, is authorized to provide and does provide indemnification to the Secretary of Transportation under Section 1205 of the Merchant Marine Act, 1936, 46 APP. U.S.C 1285, for marine, war risk, and liability coverage without premium, the Contracting Officer reserves the right to require the Carrier to obtain such insurance from the Department of Transportation and no premium as set forth in paragraphs a.(1) and (2) above will be paid to the Carrier.

H-32.2 Container Loss or Damage. The Government shall reimburse the Carrier against loss of or damage to a container in accordance with Section H-7 and as set forth below.

H-32.2.1 Causes. The Government shall reimburse the Carrier for loss or damage that is caused by capture, seizure, arrest, restraint or detainment, hostilities or warlike operations whether there be a declaration of war or not, civil war, revolution, rebellion, insurrection, civil strife, or civil commotion.

H-32.2.2 Location When Damaged. The Government shall reimburse the Carrier for loss or damage that occurs when the container is not aboard the vessel, but is located within the war risk area and is (a) in the Government's custody or (b) not in the Government's custody but either stuffed with cargo shipped under this Contract or emptied of such cargo and being transported between a place of initial stuffing or final unstuffing and the Carrier's nearest terminal, or other places not further distant than such terminal, and waiting at such terminal to be loaded in the first of the Carrier's vessels to call.

H-32.2.3 Not Otherwise Covered. The Government shall reimburse the Carrier for loss or damage to the extent that it is not covered by insurance as set forth in Section H-7.

H-32.3 Limitation of Government Liability. No payments shall be due from the Government under this clause unless and until the Carrier shall also assess such costs against commercial cargo loaded or discharged in the war risk areas.

H-32.4 Government as Additional Assured. The Carrier agrees to add the United States Government as an additional assured with waiver of subrogation on its war risk policy obtained by the Carrier and for which the Government has agreed to reimburse the extra premium under this section.

H-33 APPLICATION OF COGSA

H-33.1 Incorporation. The United States Carriage of Goods by Sea Act (COGSA) 46 U.S.C. 1300-1315 is incorporated into this Contract and shall apply to the ocean transportation of all goods (including goods in containers stowed on deck, which shall be considered as goods stowed under deck) under any Shipping Order with the same force and effect as if the Act applied to such carriage by express provision therein; provided, however, in case of loss, damage or shrinkage in transit, the rules and conditions governing commercial shipments shall not apply as to the period within which notice thereof shall be given the Carrier or as to the period within which claim therefor shall be made or suit instituted.

H-33.2 Liability. For the purpose of interpreting Section 4 of COGSA "Limitation of Liability," for all cargo, the limitation of liability set out in Section 4 of COGSA shall apply to each package, and for cargo not in packages to each measurement ton of cargo within the container. The carriage of cargo under any Shipping Order issued pursuant to this Contract shall not be deemed or construed to be the carriage of cargo pursuant to special terms and conditions as provided for in Section 6 of COGSA; and nothing in this Contract is intended to relieve the Carrier or the vessel from liability for loss or damage to or in connection with the goods arising from negligence, fault, or failure in the duties and obligations provided by COGSA or to lessen such liability otherwise than as provided therein. The Carrier shall be liable as a common Carrier by land for any loss between any inland origin and the vessel's side and between the vessel's side and any inland destination.

H-34 SCOPE OF VOYAGE (LIBERTIES)

H-34.1 Determination of the Master. In any situation, which in the judgment of the Master of the vessel is likely to give rise to capture, seizure, detention, damage, delay, or disadvantage to or loss of the vessel or any part of her cargo, or to make it unsafe, imprudent, or unlawful for any reason to begin or continue the voyage or to enter or discharge goods at the port of discharge, or to give rise to delay or difficulty in arriving, discharging, or leaving the port of discharge or the usual place of discharge in such port, the Master, whether or not proceeding toward or entering or attempting to enter the port of discharge, or reaching or attempting to reach the usual place of discharge therein, or attempting to discharge the Government's goods may, upon prior notification to and with the consent of the Contracting Officer, discharge the goods into another port, depot, lazarette, craft, or other place, or the Master may proceed or return, directly or indirectly, to or stop at any place whatsoever as the Master or the Carrier may consider safe and advisable under the circumstances. Notification to the Contracting Officer shall include, but not limited to the planned port of discharge of the cargo and any measures planned to protect the cargo. If the Contracting Officer determines that the planned disposition of the cargo is not in the Government's best interest, the Carrier shall comply with the Contracting Officer's direction to the Carrier to divert the cargo to a port of the Government's choice and to make any other arrangements necessary to protect the Government's interest. In any event, the Carrier shall at all times be responsible to assure the security and protection of the cargo until relieved of such responsibility by the Government or its designated agent. The vessel may carry munitions, warlike stores, hazardous cargo, and may sail armed or unarmed and with or without convoy.

H-34.2 Compensation. For any service rendered herein upon prior notice to and with the approval of the Government, the Carrier may be entitled to an equitable adjustment to be agreed upon by the Carrier and the Contracting Officer. In no case shall the Carrier be entitled to any extra compensation for any services rendered without prior notice to and with the approval of the Government, and in no such case shall freights be payable until the goods are delivered to the named destination on the Shipping Order.

H-34.3 Compliance with Governmental Direction. The Carrier, the Master, and the vessel shall have liberty to comply with any orders or directions as to loading, departure, arrival, routes, ports of call, stoppages, discharge, destination, delivery or otherwise, howsoever given by the government of any nation or department thereof or any person acting or purporting to act with the authority of such government or of any department thereof, or by any committee or person having, under the terms of the war risk insurance on the vessel, the right to give such orders or directions. Delivery or other disposition of the goods in accordance with such orders or directions shall be a fulfillment of the Contract voyage.

H-35 EXCEPTION FORCE MAJEURE

Acts of God, enemies, fire, restraint of princes, rulers of people, and all dangers and accidents of the seas, rivers, machinery, boilers and steam navigation, and errors of navigation throughout this Contract are mutually excepted. The vessel shall have the liberty to deviate for the purpose of saving life and property, to tow or to be towed, to sail with or without pilots, to adjust compasses and/or radio equipment, to call at any port for repairs, or to go into dry dock or into ways with or without cargo on board.

H-36 STRIKES

H-36.1 General. Except as provided below, neither the Government nor the Carrier shall be responsible for the consequences of a strike or lockout preventing or delaying the fulfillment of any obligation under this Contract.

H-36.2 Loading Port. In the event the vessel or loading of the vessel is delayed by reason of strike or stoppage of work, the Carrier reserves the right to delay or cancel the voyage, or to dispatch the vessel with such cargo as may then be on board. If part of the Government's cargo has already been loaded and the Carrier is not prevented from the dispatch of its vessel by reason of the strike or stoppage, then the Carrier must carry it to the port of discharge and the freight payable shall be on the loaded quantity of cargo only, unless contrary instructions are given by the Government.

H-36.3 Discharge Port. In the event the vessel or discharge of the vessel is delayed by reason of strikes, lockouts, or stoppage of work, the Carrier reserves the right to keep the vessel waiting until such strike or lockout is at an end and discharge the cargo still on board or with the approval of the Government to proceed to an alternate safe port of discharge where the vessel can safely discharge. All conditions of this Contract and the shipping order issued hereunder shall apply to delivery of the cargo at such alternate port, and the Carrier shall receive the same freight as if the cargo had been discharged at the original port of destination. If the Carrier shall deliver the cargo to an alternate port of destination without the approval of the Government, the Carrier shall only earn freight upon delivery at the named port of destination, and shall not be entitled to any compensation or reimbursement for additional costs incurred by reason of that deviation to an alternate port.

H-37 AMENDED JASON CLAUSE

In the event of accident, danger, damage, or disaster, before or after commencement of the voyage resulting from any cause whatsoever, whether due to negligence or not, for which, or for the consequence of which, the Carrier is not responsible, by statute, Contract, or otherwise, the goods, shippers, consignees, or owners of the goods shall contribute with the Carrier in general average to the payment of any sacrifices, losses, or expenses of a general average nature that may be made or incurred, and shall pay salvage and special charges incurred in respect of the goods. If a salving vessel is owned or operated by the Carrier, salvage shall be paid for as fully as if such salving vessel or vessels belonged to strangers.

H-38 GENERAL AVERAGE

General Average shall be adjusted, stated and settled, according to York-Antwerp Rules 1974 as amended to the date of this Contract, at such port or place in the United States as may be selected by the Carrier, and as to matters not provided for by those Rules, according to the laws and usage's at the Port of New York. In such adjustment, disbursements in foreign currencies shall be exchanged into United States money at the rate prevailing on the dates made and allowances for damage to cargo claimed shall be converted at the rate prevailing on the last day of discharge at the port or place of final discharge of such damaged cargo from the ship.

H-39 LIENS

H-39.1 Seizure of Cargo. The Carrier agrees that it will not assert any type of lien, including a maritime lien, on any cargo shipped by the Government under this Contract. The Carrier further agrees that it will not take any action to seize, arrest, hold, or otherwise detain such cargo through any judicial process in the U.S. or any foreign country. The Carrier agrees to insert this clause in all subcontracts at any tier and to expend any resources necessary to expeditiously enforce the provisions of this clause against such subcontractors.

H-39.2 Freight. There shall be no liens, asserted or permitted on any freights payable by the Government under this Contract. The Carrier agrees to insert this clause in all subcontracts at any tier and to expend any resources necessary to expeditiously enforce the provisions of this clause against such subcontractors.

H-40 REFERENCES

All references in this Contract to "Master" or "Crew" or other ship's personnel shall be deemed to be references to "Carrier's Representative" except when the context precludes such reading.

H-41 EQUIPMENT LEASING

The OO may request and the Carrier shall furnish container and chassis and in the case of non self-sustaining refrigerated containers also a generator set, for use in connection with land and ocean transportation of government cargo. The Carrier shall be paid at the equipment leasing rate set forth in the table below. Equipment so leased may be transported aboard any vessel designated by the Government and may be transported inland by any means available to the

Government. Unless otherwise agreed, containers and chassis leased by the Government shall be returned by the Government to the place where such equipment was originally received from the Carrier. A shipping order will be issued by the OO to reflect each lease of containers and chassis. The shipping order shall set forth the number, size and appropriate identification information of containers and/or chassis, estimated duration of lease and place of return. The Carrier shall be paid for each 24 hour period or part thereof, Saturdays, Sundays, and holidays included, for the period between the time the equipment is received or ordered from the Carrier, whichever is later, until the time the equipment is returned to the Carrier.

Leasing Rates

<u>Dry Cargo Container</u>	<u>Per Day</u>
1. Includes closed containers, open top containers, and flat racks	
20 Feet and Over	\$ 4.50
2. <u>Refrigerated Containers</u>	
20 Feet and Over	\$25.00
3. <u>Chassis</u>	
20 Feet and Over	\$ 5.00
4. <u>Tank Containers</u>	

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20 Feet and Over

\$20.00

I-1 ORDERING (FAR 52.216-18) (OCT 1995)

(a) Any supplies and services to be furnished under this Contract shall be ordered by issuance of delivery orders by the individuals or activities designated in the Schedule. Such orders may be issued for sailings from 20 August 1998 through 04 August 2001.

(b) All delivery orders are subject to the terms and conditions of this Contract. In the event of a conflict between a delivery order and this Contract, the Contract shall control.

(c) If mailed, a delivery order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

Note: The ACO may issue orders orally or by facsimile.

I-2 ORDER LIMITATIONS (FAR 52.216-19) (Oct 1995)

(a) **Minimum order.** When the Government requires supplies or services covered by this Contract in an amount of less than \$1.00 the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the Contract.

(b) **Maximum order.** The Contractor is not obligated to honor:

(1) Any order for a single item in excess of \$1,000,000 ;

(2) Any order for a combination of items in excess of
\$10,000,000 ; or

(3) A series of orders from the same ordering office within
2 days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements Contract (i.e., includes the Requirements clause at subsection 52.216-21 of the FAR), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless the order (or orders) is returned to the ordering office within 2 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

I-3 INDEFINITE QUANTITY. FAR 52.216-22 (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after sixty (60) days from the end of the contract period 20 August 2001.

I-4 RESERVED**I-5 CLAUSES INCORPORATED BY REFERENCE (JUN 88) (FAR 52.252-02)**

This Contract incorporates one or more of the following clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available.

<u>CLAUSE TITLE AND DATE</u>	<u>REFERENCE</u>
DEFINITIONS (Oct 1995)	FAR 52.202-1
GRATUITIES (APR 1984)	FAR 52.203-3
COVENANT AGAINST CONTINGENT FEES (APR 1984)	FAR 52.203-5
RESTRICTION ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)	FAR 52.203-6
ANTI-KICKBACK PROCEDURES (JUL 1995)	FAR 52.203-7
CANCELLATION RECISSION AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)	FAR 52.203-8
PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)	FAR 52.203-10
LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JUN 1997)	FAR 52.203-12

PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER (JUN 1996)	FAR 52.204-4
PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JUL 1995)	FAR 52.209-6
AUDIT AND RECORDS - NEGOTIATION (AUG 1996)	FAR 52.215-2
ORDER OF PRECEDENCE--UNIFORM CONTRACT FORMAT (OCT 1997)	FAR 52.215-8
SUBCONTRACTOR COST OR PRICING DATA (OCT 1997)	FAR 52.215-12
INTEGRITY OF UNIT PRICES (OCT 1997)	FAR 52.215-14
PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (MAR 96)	FAR 52-215-23
SINGLE OR MULTIPLE AWARDS. (OCT 1995)	FAR 52.216-27
OPTION TO EXTEND SERVICES (AUG 1989)	FAR 52.217-8
LIMITATION ON SUBCONTRACTING (JAN 97)	FAR 52.219-14
NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE (JAN 97)	FAR 52.219-6
NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)	FAR 52.222-1
CONVICT LABOR (AUG 1996)	FAR 52.222-3
EQUAL OPPORTUNITY (APR 1984)	FAR 52.222-26
EQUAL OPPORTUNITY PREAWARD CLEARANCE OF SUBCONTRACTS (APR 1984)	FAR 52.222-28
AFFIRMATIVE ACTION FOR SPECIAL DISABLED AND VIETNAM ERA VETERANS (APR 1984)	FAR 52.222-35
AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS (APR 1984)	FAR 52.222-36
EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS AND VETERANS OF THE VIETNAM ERA (JAN 1988)	FAR 52.222-37
CLEAN AIR AND WATER (APR 1984)	FAR 52.223-2
HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997)	FAR 52.223-3

DRUG FREE WORKPLACE (JAN 1997)	FAR 52.223-6
REFRIGERATION EQUIPMENT AND AIR CONDITIONERS (MAY 1995)	FAR 52.223-12
TOXIC CHEMICAL RELEASE REPORTING (OCT 1996)	FAR 52.223-14
RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (OCT 1996)	FAR 52.225-11
UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES (SEP 1996)	FAR 52.226-1
AUTHORIZATION AND CONSENT (JUL 1995)	FAR 52.227-1
NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (AUG 1996)	FAR 52.227-2
FEDERAL, STATE, AND LOCAL TAXES (JAN 1991)	FAR 52.229-3
TAXES - FOREIGN FIXED PRICE CONTRACTS (JAN 1991)	FAR 52.229-6
COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATIONS (APR 1996)	FAR 52.230-1
COST ACCOUNTING STANDARDS (APR 1996)	FAR 52.230-2
DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES (APR 1996)	FAR 52.230-3
ADMINISTRATION OF COST ACCOUNTING STANDARDS (APR 1996)	FAR 52.230-6
PAYMENT UNDER TRANSPORTATION CONTRACTS AND TRANSPORTATION - RELATED SERVICES CONTRACTS (APR 1984)	FAR 52.232-4
DISCOUNTS FOR PROMPT PAYMENT (MAY 1997)	FAR 52.232-8
LIMITATION ON WITHHOLDING OF PAYMENTS (APR 1984)	FAR 52.232-9
EXTRAS (APR 1984)	FAR 52.232-11
INTEREST (JUN 1996)	FAR 52.232-17
ASSIGNMENT OF CLAIMS (JAN 1986)	FAR 52.232-23
PROMPT PAYMENT (JUN 1997)	FAR 52.232-25
OPTIONAL INFORMATION FOR ELECTRONIC FUNDS TRANSFER PAYMENT (AUG 1996)	FAR 52.232-34

DISPUTES ALTERNATE I (OCT 1995)	FAR 52.233-1
PROTEST AFTER AWARD (AUG 1996)	FAR 52.233-3
PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984)	FAR 52.237-2
CONTINUITY OF SERVICES (JAN 1991)	FAR 52.237-3
BANKRUPTCY (JUL 1995)	FAR 52.242-13
CHANGES - FIXED PRICE (ALTERNATE IV) (AUG 1987)	FAR 52.243-1
SUBCONTRACTS FIXED-PRICE CONTRACTS (OCT 1997)	FAR 52.244-1
COMPETITION IN SUBCONTRACTING (DEC 1996)	FAR 52.244-5
SUBCONTRACTS FOR COMMERCIAL ITEMS & COMMERCIAL COMPONENTS (OCT 1995)	FAR 52.244-6
GOVERNMENT PROPERTY (FIXED-PRICE CONTRACTS) (DEC 1989)	FAR 52.245-2
LIMITATION OF LIABILITY-SERVICES (FEB 1997)	FAR 52.246-25
FAMILIARIZATION WITH CONDITIONS (APR 1984)	FAR 52.247-05
ESTIMATED WEIGHTS OR QUANTITIES NOT GUARANTEED (APR 1984)	FAR 52.247-08
SUPERVISOR, LABOR OR MATERIALS (APR 1984)	FAR 52.247-12
CHARGES (APR 1984)	FAR 52.247-17
CONTRACTOR LIABILITY FOR PERSONAL INJURY AND/OR PROPERTY DAMAGE	FAR 52.247-21
PREFERENCE FOR PRIVATELY OWNED U.S. FLAG COMMERCIAL VESSELS (JUN 1997)	FAR 52.247-64*
TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (FIXED-PRICE) (SEP 1996)	FAR 52.249-2
DEFAULT (FIXED-PRICE SUPPLY AND SERVICE) (ALTERNATE I) (APR 1984)	FAR 52.249-8

DFARS CLAUSES

SPECIAL PROHIBITION ON EMPLOYMENT (JUN 1997)	DFARS 252.203-7001
DISPLAY OF DOD HOTLINE POSTER (DEC 1991)	DFARS 252-203-7002
CONTROL OF GOVERNMENT PERSONNEL WORK PRODUCT (APR 1992)	DFARS 252.204-7003
PROVISION OF INFORMATION TO COOPERATIVE AGREEMENT HOLDERS (DEC 1991)	DFARS 252.205-7000
REPORTING OF COMMERCIAL TRANSACTIONS WITH THE GOVERNMENT OF A TERRORIST COUNTRY SEP 1994)	DFARS 252.209-7004
PRICING ADJUSTMENTS (DEC 1991)	DFARS 252.215-7000
SMALL, SMALL DISADVANTAGED AND WOMEN-OWNED SMALL BUSINESS SUBCONTRACTING PLAN (DOD CONTRACTS (APR 1996)	DFARS 252.219-7003
INCENTIVE FOR SUBCONTRACTING WITH SMALL BUSINESSES, SMALL DISADVANTAGED BUSINESSES, HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, AND MINORITY INSTITUTIONS (NOV 1995)	DFARS 252.219-7005
NOTICE OF EVALUATION PREFERENCE FOR SMALL DISADVANTAGED BUSINESS CONCERNS (JUN 1997)	DFARS 252.219-7006
SAFETY PRECAUTIONS FOR AMMUNITION AND EXPLOSIVES (MAY 1994)	DFARS 252.223-7002
CHANGE IN PLACE OF PERFORMANCE - AMMUNITION AND EXPLOSIVES (DEC 1991)	DFARS 252.223-7003
DRUG-FREE WORK FORCE (SEP 1988)	DFARS 252.223-7004
PROHIBITION ON STORAGE AND DISPOSAL OF TOXIC AND HAZARDOUS MATERIALS (APR 1993)	DFARS 252.223-7006
SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 1992)	DFARS 252.225-7031
SUPPLEMENTAL COST PRINCIPLES (DEC 1991)	DFARS 252.231-7000
REDUCTION OR SUSPENSION OF CONTRACT PAYMENTS UPON FINDING OF FRAUD (AUG 1992)	DFARS 252.232-7006
POSTAWARD CONFERENCE (DEC 1991)	DFARS 252.242-7000

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Section I

PRICING OF CONTRACT MODIFICATIONS (DEC 1991)

DFARS 252.243-7001

DEFINITIONS AND ABBREVIATIONS

As used throughout this Contract, the following terms shall have the meaning as set forth below:

ADMINISTRATIVE CONTRACTING OFFICER (ACO) - Joint Traffic Management Office, Falls Church, Virginia 22041-5050, or his designee.

AGREEMENT - See "Contract".

AIRCRAFT, UNBOXED - Includes all vehicles designed primarily for flight, unboxed and completely or partially set up own wheels, pontoons, runners or special cradles.

BAGGED CARGO - Bagged cargo is defined as any commingling, homogeneous material shipped in cloth, paper or plastic sacks or bags. Such material may consist of, but is not limited to, dry chemicals, coal, ore, fertilizer, cement, charcoal, coke, mortar, salt, grains, coffee, sugar, peanuts and fruits and vegetables not requiring refrigeration.

BERTH TERM - See "Liner Terms".

BOATS - Includes all craft in excess of 35 feet in length assigned exclusively for use on or under water and may or may not include a cradle for stowage.

BREAKBULK CARGO - Cargo that is not containerized.

BULK CARGO - Dry or Liquid Cargo which is not subject to mark or count, shipped in fluid or loose state and not packaged for ocean carriage in any manner, such as grain, ore, coal, chemicals, oil, liquid latex, etc.

CAR CARRIER - A trailer/container of open framework designed for carriage of automobiles or other unboxed vehicles.

CARGO NOS - Cargo not otherwise specified i.e., all dry cargo other than reefer and vehicles. Dry cargo refers to mixed or straight loads of the commodities listed in Military Standard Transportation and Movement Procedures (MILSTAMP).

CARGO TRAILER - See "Van".

CARGO UNIT - Two or more pieces of cargo received by Carrier at the same time which has the same consignor and consignee.

CARRIER - Any Carrier awarded a Contract pursuant to RFP RFP-DAMT01-98-R-9611, including its agents and subcontractors. The term "Carrier" is used interchangeably with the term "Contractor."

CHARTERER - See "Government".

CHASSIS - A platform equipped with running gear and front end support on which a container is placed for transport.

COMMERCIAL ZONE - The pickup and delivery limits of cities, ports and municipalities in the United States as defined by the Surface Transportation Board and published in 49 CFR Part 1048, on the date service is provided by the Carrier.

COMMON CARRIER - (Shipping Act of 1984 (46 U.S.C. App. 1701(6))) - A person holding itself out to the general public to provide transportation by water of passengers or cargo between the United States and foreign country for compensation that:

(a) assumes responsibility for the transportation from the port or point of receipt to the port or point of destination; and,

(b) utilizes, for all or part of that transportation, a vessel operating on the high seas or the Great Lakes between a port in the United States in a foreign country.

CONSOLIDATION - Practice of consolidating many less-than-container load cargo in order to make container load movements.

CONTAINER - A cargo conveyance which confines and protects the cargo from loss or damage, can be handled in transit as a unit and can be mounted and secured in or on marine, rail or highway equipment. Common types of containers are: weatherproof, dry enclosed, refrigerated, van, tank, nonweatherproof, open top, car Carrier, high cube, and flatracks or platforms.

CONTAINER DETENTION - Government ordered delay in commencement of drayage/line-haul (container staging) or Government delay in unstuffing of containers at destination when total delay exceeds total free-time allowed.

CONTAINERIZABLE CARGO - Containerizable Cargo is defined as all cargo which can be physically loaded in or on a container.

CONTRACTING OFFICER - A Contracting Officer within the scope of that definition in Federal Acquisition Regulation 52-202-1, who has been appointed or designated as such by the Joint Traffic Management Office Command. (See Procurement Contracting Officer)

CONTRACTING OFFICER REPRESENTATIVE (COR) - Appointed in writing by the ACO. Responsible for, but not limited to, the following: Designates Quality Assurance Evaluators, monitors the contractor's performance in accordance with the Quality Assurance Surveillance Program, ensures contractor's compliance with reporting requirements, provides data for government reports, verifies/certifies services and conducts initial review of contractors claims.

CONTRACT - This document which contains the Contractual terms pursuant to which a Carrier agrees to accomplish transportation of such lawful cargo as may be tendered by the Government.

CONTRACT CARRIER - Any person who engages in vessel operating ocean transportation of passengers or cargo in the foreign commerce of the United States for compensation under a continuing contract with the Government for a specified period of time for the furnishing of such ocean transportation services through the

dedication of space in its vessels, and for which the carrier assumes responsibility for that transportation from the port or point of receipt to the port or point of destination.

CONTRACTOR - See "Carrier".

CONTINENTAL UNITED STATES (CONUS) - Forty-eight contiguous states of the United States of America.

DAYS - Shall mean calendar days unless specified otherwise.

DEAD FREIGHT - Liability to pay for space booked but not used.

DECK CARGO - Includes all cargo stowed in open spaces on deck except Hazardous Cargo which, in accordance with U.S. Coast Guard rules, must be stowed on deck.

DETENTION - Charges assessed against the Government for delaying the release of Carrier equipment beyond allowed free time.

DISCHARGING - The physical movement of cargo/container from the place of stowage on board a vessel to the pier.

DIVERSION - To change the booked destination of a loaded container after transit has commenced, but before the container has commenced final drayage/linehaul from the port of discharge.

DRAYAGE - The movement of cargo/container between the Carrier's terminal at the port where the cargo/container is loaded to or discharged from the vessel and another place within the commercial zone or modified zone of that United States port city or within a ten mile radius of that city's limits, by means other than the Carrier's principal vessels, such as by highway or railway.

DRY CONTAINER - A completely enclosed weatherproof container.

EXPLOSIVES - Includes all military explosives (STB Classes A, B, and C) and military lethal chemicals included within classes II through XI, Title 46, Code of Federal Regulations, Section 146.29-100 (Coast Guard Pamphlet No. 108) for which a permit for handling is required by Title 46, Code of Federal Regulations, Section 146.29-100. This category shall not include small arms ammunition and other items included in Class I of the aforementioned publication.

FLATCAR - A railroad car without weatherproof sides or top.

FLATRACK (PLATFORM) CONTAINER - A container without weatherproof sides and/or top. Includes platforms and flatracks with rigid or collapsible ends. They can be end loaded or top or side loaded.

FREE-IN-OUT - Loading and discharging services are to be performed by the Government.

FUTILE EFFORT - The good faith effort of a Carrier to accept cargo which is futile due to fault of the Government. Does not include the instance in which the Carrier spots a container for a particular booking which does not materialize, but is able to utilize the spotted container for another booking without returning the container to its place of origin.

GENERAL CARGO - All dry cargo other than refrigerated cargo and vehicles. Dry cargo refers to shipments of straight or mixed loads of the commodities listed in the Military Standard Transportation and Movement Procedures.

GOVERNMENT - The United States Government, its agents and Contractors, party to this Contract, and the consignees, their agents and Contractors unless used in a context to refer to another government such as a foreign or local government. Does not include Contractors party to this Contract. Ordering activities authorized under this Contract are included.

GOVERNMENT TRACTOR - A tractor used by the Government to transport the Contractor's containers placed on chassis or over-the-road trailers.

HAZARDOUS CARGO - A substance or material including a hazardous substance, which has been determined by the Secretary of Transportation to be capable of posing an unreasonable risk to health, safety and property when transported in commerce and which has been so designated.

INOPERABLE - Not capable of being operated.

JOINT TRAFFIC MANAGEMENT COMMAND - (JTMO) Director, Joint Traffic Management Command MTTM-DIR Falls Church, VA.

LINEHAUL - The movement of a container between the Carrier's terminal at the port where the container is loaded to or discharged from the vessel and another place outside the commercial zone or modified zone of that United States port city or beyond a ten mile radius of the city limits by means other than the Carrier's principal vessels, such as by highway, railway, canal or river, or in specific instances by ferry or bargeship system.

LINER TERMS - The Carrier assumes all responsibilities and cost for the cargo from the port or point where the cargo is receipted for by the Carrier to the destination port or point where the Carrier makes the cargo available to the consignee.

LOADING - The physical movement of cargo/container from the pier to place of stowage on board a vessel.

LOW COST CARRIER - The Carrier which offers the lowest total cost for all services ordered in connection with handling and movement of a particular lot of cargo from origin to final destination, taking into account the density and stowage characteristics of the particular lot of cargo in relation to the types, sizes, configurations and weight carrying capacities of containers available for the movement.

MAIL - Includes all classes and types of postal matter.

MAIL EQUIPMENT - Includes sacks, pouches, and bags used for carriage of mail and locks or other devices used for sealing mail bags, pouches, sacks or containers.

MILITARY SEALIFT COMMAND (MSC) - Commander, Military Sealift Command, Washington Navy Yard, Washington, D.C. Single manager for sealift, Department of Defense and the PCO.

MILITARY TRAFFIC MANAGEMENT COMMAND (MTMC) - Commander, Military Traffic Management Command, 5611 Columbia Pike, Falls Church, Virginia..

MILSTAMP - Military Standard Transportation and Movement Procedures.

OCONUS - Outside Continental United States

OPEN TOP CONTAINERS - A container without a permanently affixed metal top. Top is a removable tarpaulin which is supported by roof bows.

ORDERING ACTIVITY - Includes the Commander, Military Sealift Command or his designee, and Military Traffic Management Command, or his designee.

ORDERING OFFICER - Appointed by the Chief of Acquisition, MTMC, with a copy provided to the Carrier. Responsible for, but not limited to, the following: Books cargo and issue shipping orders, samples bookings for low cost, monitors cargo allocation, recommends addition/deletion of routes/services, authorizes substitution of equipment and authorizes staging.

OVERSIZED CARGO - General Cargo that has any one dimension over forty (40) feet long, more than eight (8) feet wide or over eight (8) feet six (6) inches in height, or as determined by the OO, requires special handling equipment for loading aboard or discharging from a vessel because of that cargo's atypical size. This definition includes oversized cargo that equals or exceeds 50 long tons, including railroad locomotives and set up railroad rolling stock, but excluding all wheeled or tracked vehicles regardless of.

OVERTIME DIFFERENTIAL COST (ODC) - Overtime Differential Cost is the difference in cost to perform cargo handling services during regularly scheduled working hours (as defined by the existing terminal tariff) and to perform the same services during non-regularly scheduled (overtime) working hours. For the purpose of this contract, ODC will apply in the Ascension Island when it is incurred by the Government as a result of an express request by the vessel owner or his agent to perform such services on an overtime basis. ODC may include, but is not limited to, overtime costs for loading/unloading cargo to and from the vessel, bringing cargo to and taking it alongside the vessel within the terminal area, documentation and other administrative services, and extra wages or salary rates or charges related thereto (which may include the portion of the sum paid for pensions, health and welfare, payroll taxes and other fringe benefits in connection with work performance of the ordered services.

OWNER - See "Carrier".

PLACE DESIGNATED BY THE CONTRACTING OFFICER - Places within the commercial zone of United States ports or inland cities, and places within a ten-mile radius of the city limits of any U.S. port or inland city or limits of other places designated in the Schedule of Rates.

PLATFORM - A trailer/container with no sides or top, but only the floor.

PROCUREMENT CONTRACTING OFFICER (PCO) - Joint Traffic Management Office, or Falls Church, VA or designee.

RAIL INTERMODAL EQUIPMENT - A unit for transporting commodities in trailer or container on freight-car service from point to point, constructed in such a manner that it may be mounted and secured on a car, chassis or bogie for the purpose of such locomotives.

RECYCLABLE MATERIAL SERVICE. The Carrier's recyclable material service shall consist of transporting such materials in 20 and 40 foot dry containers from Ascension Island to CONUS. The Carrier will be compensated for this service in accordance with the rates set forth in Section B of the contract.

SINGLE FACTOR RATE - A single rate which includes all segments of the international transportation move from origin to destination.

Stripping/Unstuffing – The process of unloading a container.

Stuffing – The placement of cargo into a container or another conveyance including any necessary blocking, bracing or dunnage.

SURFACE TRANSPORTATION BOARD (STB) - The Successor Agency to the Surface Transportation Board and Commission Termination Successor Agency to STB, the agent of Congress to implement the Interstate Commerce Act which regulates rates, rules and practices of rail transportation lines engaged in interstate traffic, motor Carriers, common and Contract water Carriers operating in domestic trade, and freight forwarding companies.

Transloading – To strip cargo from one conveyance and reload the cargo directly into another conveyance for safe transport.

WHARFAGE - The charge for the use of a wharf or dock.

WHEELED OR TRACKED VEHICLES (UNBOXED AND CONTAINERIZABLE) - Includes all types of unboxed, land or amphibious equipment or conveyances, set up on wheels or tracks, whether or not self-propelled, but excluding railroad locomotives and set up railroad rolling stock. Vehicles shall be freighted on the basis of extreme dimensions as offered for shipment.

WORKING DAY - Excludes weekends and locally observed holidays

ABBREVIATIONS

ACCT	-	Account
ACO	-	Administrative Contracting Officer
CAR	-	Carrier
CAT	-	Category
CFR	-	Code of Federal Regulations
CDRMTMC	-	Commander, Military Traffic Management Command
COGSA	-	United States Carriage of Goods by Sea Act
COMSC	-	Commander, Military Sealift Command
CONUS	-	Continental United States
CTA	-	Central Technical Activity
DOD	-	Department of Defense
DTS	-	Defense Transportation System
DFARS	-	Defense Federal Acquisition Regulation Supplement
EDOB	-	Estimated Date on Berth
ETA	-	Estimated Time of Arrival
ETD	-	Estimated Time of Departure
FEU	-	Forty Foot Equivalent Unit
FCL	-	Full Container Load
FAR	-	Federal Acquisition Regulation
FIO	-	Free In and Out
GOVT	-	Government
GBL	-	Government Bill of Lading
GOH	-	Garment on Hangers
LB(S)	-	Pound(s)
LT	-	Liner Terms
L/T	-	Long Ton (2,240 Pounds)
MBM	-	1,000 Feet Net Board Measure
MSC	-	Military Sealift Command
MT	-	Measurement Ton (40 Cubic Feet)
N/C	-	No Charge
NO(S)	-	Number(s)
OCONUS	-	Outside Continental United States
PCO	-	Procurement Contracting Officer
POV	-	Privately Owned Vehicle
RDD	-	Required Delivery Date
REEFER	-	Refrigerated Container
REV	-	Revised
RFP	-	Request for Proposals
RI	-	Route Index
RLD	-	Required Loading Date
SA	-	Shipping Agreement
ST	-	Short Ton (2,000 Pounds)
TEU	-	Twenty Foot Equivalent Unit
TGBL	-	Thru Government Bill of Lading
USC	-	United States Code
VEH	-	Vehicles

AVERAGE CONTAINER/CHASSIS INTERNAL CUBIC CAPACITIES

Size and Type Containers	Average M/T	L X W X H
20 Foot, Dry (low cube)	27	20' x 8' x 8'
20 Foot Dry	29	20' x 8' x 8'6"
20 Foot Reefer	27	20' x 8' x 8'6"

